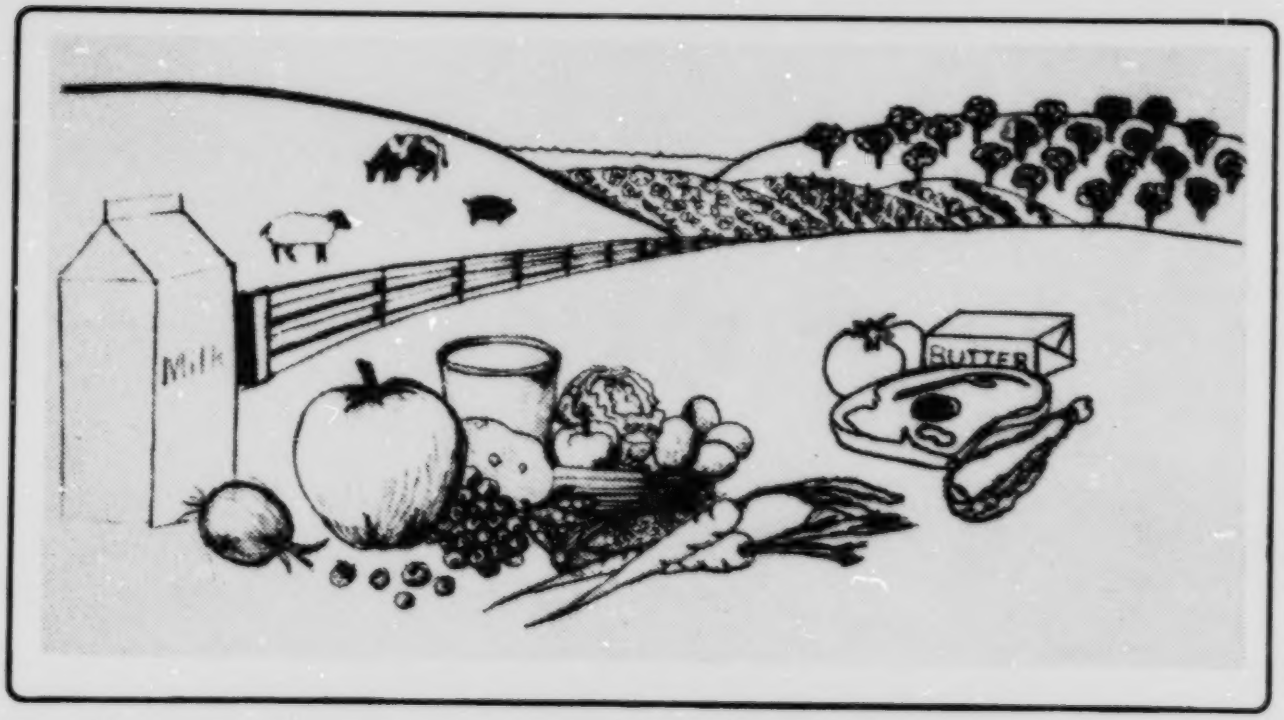
TOWARDS AGRICULTURE TOMORROW:

A Position Paper



Voluntary Planning

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TOWARDS AGRICULTURE TOMORROW:

A Position Paper

Agriculture Sector

Voluntary Planning Board

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Top; Wilmar Acres Ltd. (Kings County) - Chicken/Turkey operation producing own feed. Land base - 400 to 500 acres. Capital investment - $2 million.

Bottom; Cobi Foods Incorporated (Graves, Kings County) - Pea harvesting operation -$1.5 to $2 million worth of equipment.

EXECUTIVE SUMMARY

Although the Agriculture Industry has undergone some rapid changes since the turn of the century, it remains a basic industry of importance contributing to Nova Scotia's socio-economic structure. Agriculture has evolved into a highly technological and complex business operation; it can no longer be equated with a rustic way of life.

Among the goods producing industries, agriculture consistently contributes to the Nova Scotia economy. With respect to employment, it is **estimated that one in three persons** in **Nova Scotia are employed in occupations linked to food production.** The **labour productivity** (as measured by real net output per person employed) has **risen since 1971** in **absolute terms** and in **relation to other sectors.** The productivity index for agriculture in **1981 (1971 = 100) was 121.0,** for commercial non-agriculture industries it **was 107.5** (Agriculture Canada, 1982). Related to this greater output per person is the decline in the price of the product due to efficiency. **Real disposable income** spent on food has **decreased from 18.5% in 1950** to approximately **14.5%, including 2.5%** spent on food away from home, in 1984.

Aside from the direct benefits agriculture contributes, its highly integrated nature provides for numerous backward and forward linkages. These in turn generate a high economic multiplier for spin-off benefits. Of Nova Scotia's **estimated $244 million in farm cash receipts** for 1984, **approximately $200 million (82%)** are **reintroduced into the economy** via farm operating expenses (Agriculture Canada, 1983). The estimated spin-off effects from money invested in Nova Scotia farm operations reaches a **final economic impact of $1 billion plus.**

The Agriculture Sector of Voluntary Planning recognizes there are a number of opportunities to strengthen and revitalize the industry; however, there are also a number of concerns which must be addressed. This paper is intended to generate discussion in those areas where bottlenecks or the absence of 'development tools' currently exist, and propose a number of possible solutions which could remedy the situation. This paper and the discussion it generates are the **first steps** leading to a **Strategy Paper** directed at developing a long-term sustainable industry.

Basically, Voluntary Planning is Province-wide and unique to Nova Scotia. It is composed of individuals, firms, and groups, as members of one or more interest sectors. The organization allows the private sector and government representatives to meet out of the formal bureaucratic setting, enabling private sector interests to have input in the policy making sphere at a grass-roots level.

As a member of Voluntary Planning, the Agriculture Sector has close contact with the various agriculture associations attempting to represent all segments of the industry and region. The Sector (in the fall of 1983) determined a need for an Agricultural Position Paper aimed at discussing those areas constraining future economic development of the industry. This discussion paper would further highlight proposed solutions to generate discussion among industry representatives and appropriate government departments, eventually leading to a long-term strategy paper aimed at smoothing out the peaks and troughs in agriculture's future growth.

Areas for discussion were selected by Sector members in a number of brainstorming sessions. Having consolidated the topics of interest, each member became responsible for researching and developing a 'brief' on one or more topics. Subsequent meetings were used to present the papers, and by means of discussion, brainstorming, and

consensus building, developed a Sectoral view of the topic area. Topics came to include current and possibly future development scenarios, inclusive of concerns and proposed solutions.

The Sector although interested in the development of the industry as a whole, has chosen the 'family farm' as the focus for developing a future long-term policy. The assumption being that strengthening and developing the base - family farm/producer - will lead to an improvement of the structure as a whole. The term 'family farm' was defined as including all forms of owner-enterprises - owner-operator, family owned partnerships, cooperatives, single proprietorship - except for large, absentee interests or conglomerates as these (by virtue of their size and diverse business interests) already have effective lobbying power.

The OBJECTIVES are:

(a) **To function as a guide for the Agriculture Sector's endeavors in maintaining, improving, and strengthening the industry as a viable economic activity, yielding the farmer just return for his/her efforts;**

(b) **To identify and promote the many benefits agriculture contributes, beyond production and profit goals, to the Province's social structure.**

A goal of these objectives and paper would be to produce a strategy paper aimed at the development of a long-term sustainable agriculture industry.

Given the large number of specific proposed solutions for each topic and their varied scope, it is useful to categorize the solutions into four general headings/categories. The categories are: legislation/regulation, research, business organizations, and education (including general awareness programs).

Legislation/Regulations: includes solutions requiring the introduction of new laws/regulations (such as Abbatoirs and Meat Inspection) or the amendment/refinement of existing ones. Specifically, these would relate to proposed tax changes, land use regulations, and financing.

Business Organizations: includes solutions aimed at farm management, farm organizations, marketing and promotion efforts, and may include related financial or taxation issues.

Research: includes primarily those solutions from the applied and basic research area (Topic 16), but may include some issues from education (those dealing with the introduction of new technologies), and business organizations.

Education: includes those solutions dealing with institutional education programs, extension programs, and public relations/general awareness programs.

Given, the Position Paper and dialogue it will generate are intended as input to the development of a long-term strategy paper, there is a need for priorization so human, financial, and physical resources may be used in their most economic, efficient and effective combinations. The priorization scheme includes an interim, short-term, and long-term frame. Generally, the Interim period would include those solutions which may be examed and/or initiated immediately or within one to two years. These would be solutions involving minor refinement of existing services, or ones which the Sector can initiate with little or no government involvement.

Short-term involves greater research and examination of the solutions and would likely involve one or more segments of the public sector. These may be typified by changes in legislation and regulations. A two to four year time frame would most likely be used.

Finally, Long-term implies those solutions needing a greater amount of time and involves more than one sector of government (perhaps at both levels). An example of these would be the solutions dealing with possible increases in import tariffs. The time frame for these proposed solutions would probably involve a five year or more time frame. The following is a suggested planning scheme:

2 Years **INTERIM**	2-4 Years **SHORT-TERM**	5 or more Years **LONG-TERM**
Education	Education	Education
- general awareness programs; public relations	- continue Public Relations	- continue Public Relations
- needs assessments of agricultural programs; extension sevices, Agriculture College, etc.	- increased promotion of conferences, information exchanges	- encourage evaluation of curriculums to ensure future industry needs will be met
- develop public awareness programs directed at the need and safety of pesticides/fungicides used	- changes/additions to education curriculum	
Regulations	Regulations	Regulations
- development/implementation of policies aimed at feed self-sufficiency	- examine possibility of capital gains tax changes	- develop possible land banking scheme
- refine/strengthen zoning and trespass laws to protect agricultural land	- refine grant programs	- continue possible development of tariff implementation
- encourage further support for land improvement/development policies and programs	- initiate examination of possible land banking systems	
- encourage removal of tax benefits from formerly productive lands lying idle for several years	- initiate research in developing tariff systems linked to local product availability	

Continued . . .

2 Years **INTERIM**	2-4 Years **SHORT-TERM**	5 or more Years **LONG-TERM**
Research	Research	Research
- examine and develop the necessary infrastructure for producing an Agriculture Strategy Paper	- greater efforts in sponsoring of farm innovative demonstrations	- possible development of central collecting, coordinating, distribution agency
- encourage farm visits by researchers; recognize farmer's ability to contribute	- encourage development of provincial researcher/ coordinator position	- encourage greater exchange of information on research done nationally and abroad
- encourage research in efficiencies of 'small farms'	- encourage producer involvement in setting of research priorities	
- encourage research in link between food nutritional value and energy input costs	- encourage research to be Nova Scotia specific	
Business Organizations	Business Organizations	Business Organizations
- encourage continued support for co-ops	- examine possible development of preferred rates to farmers from private lending institutions	- examine development of policies directed at viable, productive farms experiencing extreme negative conditions beyond their control
- encourage greater farmer involvement in marketing and promotion	- examine redefining terms describing farm operators -- full and part-time hobby farmers	- examine possible tax incentives to ease costs involved in good management practices
- encourage greater investment opportunities in farmer controlled organizations	- expand market involvement, including export opportunities when feasible	- examine possible development of a comprehensive management system involving sector common points
- encourage greater producer interest in their produce beyond farmgate		- continued support for producer interest in their produce beyond farmgate

Continued . . .

2 Years **INTERIM**	2-4 Years **SHORT-TERM**	5 or more Years **LONG-TERM**
Business Organizations	Business Organizations	Business Organizations
- encourage other provinces to press for inclusion of farm occupations or 'Occupations of National Importance List'		- examination of new constraints and possible solutions

In the interest of developing a long-term sustainable agriculture industry that would benefit everyone, the Agriculture Sector of Voluntary Planning RECOMMENDS:

(a) **The development of a long-term strategy paper to identify and facilitate opportunities for balanced economic growth leading to a sustainable agriculture industry;**

(b) **Agricultural associations develop a stronger, more coordinated effort, aimed at generating integrative long-term solutions to identified constraints rather than short-term, 'band-aid' remedies;**

(c) **Agricultural associations and pertinent government departments to work together on producing coordinated policies in an effort to develop, and avoid negative impacts on, agriculture;**

(d) **That resources for research and staff be made available to the Agricultural Sector for producing a more detailed Strategy Paper.**

This Position Paper is the end-result of a high degree of commitment, expertise, and concern by Sector members. There is a desire to not only improve and strengthen the industry, via the family farm, but to contribute to the socio-economic well-being of the Province as a whole. By working together towards a common goal, this will undoubtedly be achieved.

SUMMARY OF SOLUTIONS

The Agricultural Sector of the Voluntary Planning Board has developed a number of solutions, addressing specific concerns within 18 topic areas, aimed at revitalizing the socio-economic viability of the industry as a whole, and the 'family' farm unit as a vital component of the industry.

The possible solutions are:

Topic 1 - The Family Farm (Page 29)

- Increase the farmer's share of the agri-food dollar so input costs may be covered;
- Support education of public on what farming entails;
- Determine 'optimum mix' of operations, outlining overall farm capabilities;

Topic 2 - Succession of the Farm Unit (Page 30)

- Greater opportunities in farm management education;
- Farmer-owners, particularly those in family operations, be educated on the advantages and/or disadvantages of incorporation;
- Seek possible concessions concerning the capital-gains tax.

Topic 3 - Security of the Farm Unit and Community (Page 31)

- Public and media education concerning farming environmental activities;
- Continued involvement of farm units in community activities;
- Proper and workable trespass laws; appropriate zoning to protect agricultural holdings; examine question of owner-operator liability.

Topic 4 - Food Philosophy in Canada (Page 33)

- Ensure all units of a commodity are used before allowing imports in that commodity;
- Examine possibility of import tariffs being linked to produce harvest seasons;

- Further development of marketing systems;
- Greater government, industry dialogue concerning import caused constraints.

Topic 5 - Farm Organizations (Page 36)

- Continued support of the various organizations;
- Encourage research and development of possible new roles;
- Educate public of benefits accruing to society and consumers from organizational activities;
- Continued support for leadership skills training;
- Encourage systems allowing the transmission of former leader's acquired knowledge and experience.

Topic 6 - Farm Management (Page 37)

- Increase farmers' share of market dollar, allowing them to continually develop good management techniques;
- Expanded curriculums to include new management techniques;
- Seek greater education and involvement in marketing;
- Seek possible tax incentives to ease costs involved in good management practices;
- Examine the possibility of developing a comprehensive management system involving the various commonalities in the industry; there is a perceived lack of conciseness in the current systems of management.

Topic 7 - Farmer Operated Business Organizations (Page 38)

- A continued support for cooperatives;
- Encourage greater investment opportunities in cooperatives, along with private sector ventures;
- Seek to expand export opportunities wherever feasible.

Topic 8 - Achievement of Greater Market Potential (Page 39)

- Ensure consistent, fair returns based on production figure costs, including farmer's labour and investment;
- Examine establishing minimum pricing at farm gate;

- Encourage and enhance promotion/advertisements of Nova Scotia produce;
- Encourage development of traditional and new markets within and out of the Province;
- Encourage development of regular, year-round distribution and sale of fresh produce;
- Encourage further development of existing and new producer controlled marketing systems;
- Encourage consumer education in food production costs;
- Strengthen consumer-farmer liaisons;
- Encourage stronger bargaining roles between farm organizations, commodity marketing boards, processors, wholesalers, and government.

Topic 9 - Land Use (Page 40)

- Development of a system which yields a greater accounting of available lands - a land bank information system (e.g., Land Resource Board);
- Greater enforcement of land use controls to protect current productive lands;
- Examine the possibility of 'land banking' through the land purchase/leasing policy;
- The encouragement of greater dialogue and the exchange of land-use activity information, amongst the major users of land;
- Encourage investments aimed at reducing soil erosion;
- Formerly productive land not used for several years should be taxed unless it is put back into production.

Topic 10 - Land Improvement, Future Use, Size, etc. (Page 42)

- Increased share of market dollar allowing farmer to manage farm operations for optimal returns and efficiency;
- Encourage and assist 'entering' farmers (where feasible) to aid in reducing land loss or speculation;
- Examine possible reinstatement of taxes on farm land which has not been used for several years to discourage speculation;
- Possibly develop a land banking system;
- Encourage efficiency in farm operations (where feasible);

- Encourage management fostering flexible farms that could use 'new' products as they arise;
- Encourage increased support for land development/improvement programs;
- Encourage policies directed at greater self-sufficiency in feed supply (e.g., Maritime Farmers' Council Feed Cost Equalization Proposal);
- Encourage further farmer involvement in marketing efforts;
- Encourage use of local supplies for farm needs (where feasible);
- Encourage stewardship of land base.

Topic 11 - Financing (Page 45)

- Assessment of loans to be related to land base and capital needs;
- Improve farmer's share of market dollar, decreasing reliance on private lending institutions;
- Hobby farmers should not be encouraged to apply for loans from Farm Loan Board;
- Subsidy of incomes by (a) transfers, so that farming activities can be planned first; or (b) transfers linked to production; or (c) some combination of direct and production linked transfers;
- Encourage the development of preferred rates at private lending institutions;
- Policy/program development aimed at assisting viable farm operations experiencing extreme negative conditions beyond their control;
- Encourage the development of standard, acceptable definitions of full, part-time, and hobby farms.

Topic 12 - Grant Programs (Page 49)

- Support linking of grants to the development of sustainable agriculture opportunities;
- Grants be linked to farm management plans;
- Develop greater support for the introduction of discretionary powers for the approval of grants; currently emphasis is primarily the compilation of a form;
- Grants for expansion to be linked with market development where needed.

Topic 13 - Marketing and Promotion (Page 51)

- Further provincial financial support for Marketing activities;

- Encourage individual and/or corporate efforts in marketing/promoting goods intra and inter-provincially, and out of country;

- Examine possibility of developing a central agency, inclusive of all commodity groups, to undertake generic promotions.

Abattoirs and Meat Inspection:

- Encourage consultation with producers before changes in legislation and/or regulations are brought in.

- Encourage regular examination/evaluation of the program to maintain standards and maintain creditability.

Topic 14 - Human Resource Development (Page 53)

- Encourage greater numbers of general awareness programs amongst young people, rural families, and the general public;

- Develop programs centered on the concept of 'pride of occupation';

- Encourage and strengthen courses involving new technology in farm management and production, to achieve national importance status;

- Expand and encourage opportunities to update present farmers through meetings, travel, and demonstration;

- Develop general awareness programs aimed at advising people on the future of farm careers as full-time employees;

- Develop programs which will improve leadership skills in order to meet ever-changing challenges;

- The encouragement of people to enter professional and technical staff positions in the numerous areas of the industry related to farming and in the services dealing with farming - e.g., scientists, lab technicians;

- Greater involvement of the media in the education process. This involves teaching media-related courses to agricultural students and teaching media personnel agriculturally-related material;

- Encourage other provinces to press for inclusion of farm occupations on the occupation of National Importance List.

Topic 15 - Extension Services (Page 56)

- Continued assistance in extension's current activities, such as 4-H, advice on new technology, assistance in financial planning;

- Encourage more informational meetings and practical demonstrations;

- Encourage greater involvement of men and women in programs such as Young Farmer's Conference, Farm Women's Conference, and Farm Management Clubs.

- Encourage more courses in leadership skills;

- Participate in and offer upgrading courses in various aspects of the agri-business industry;

- The strengthening of advisory type programs and services which help young people gain equity in their operations;

- The need to develop opportunity awareness programs aimed at the young, current persons involved in the business, and the public in general;

- The need to develop and strengthen ties with the media industry;

- The maintenance of the 'family farm' as an importance and viable part of the agri-business industry (this concerns both extension services and the previous area human resources).

Topic 16 - Basic and Applied Research (Page 57)

- Development of greater exchange of information between research agencies (particularly nationally);

- Encourage the recognition that farmers can be important contributors; seek greater involvement;

- Encourage researchists to visit farms and speak with farmers; increase the dialogue between the groups during research phase not after a project has been completed;

- Possible development of central collecting, coordinating, and disseminating agency, including the position of a researcher/coordinator;

- Encourage and increase personnel involved with research that would develop positions related to total systems and sustainable agriculture;

- Encourage that research priorities be set by researchers, producers, and marketers;

- Greater efforts in producing 'farm innovate demonstration', including the provision for additional funds.

Topic 17 - Energy (Page 58)

- Encourage government to increase support of industry appropriate alternative fuel research;

- Seek increased subsidies on traditional fuels in the event of higher prices;

- Encourage the elimination of the 9% Federal Excise Tax (as in the fisheries);

- Encourage the development and use of energy efficient systems of production;

- Support continued information exchanges amongst farmers currently using and developing more energy efficient systems;

Topic 18 - Transportation (Page 60)

Feed Freight Assistance Act (FFA)

- Further support for producer growing own feed;

- Further assistance to research for new strains of grain;

- Encourage the growing of feed grain as a cash crop;

- Restore FFA funding level;

- Encourage policies directed at greater self-sufficiency in feed supply (e.g., Maritime Farmers' Council Feed Cost Equalization Proposal).

Maritime Freight Rate Assistance and Atlantic Region Freight Assistance Act (MFRA/ARFAA)

- Increase subsidies to recover deteriorated portion of competitiveness;

- Realign commodities to aid those most in need.

Canadian Agreement of Vehicle Registration Act (CAVR)

- Examine possibility of deregulation of carriers (as in U.S.);

- Extend exemptions to all agricultural/horticultural producers transporting own goods;

- Clarify administrative forms;

- Develop regional offices where CAVR inquiries may be addressed;

- Assist development of better cold storage facilities to ease timing in transportation schedules.

I - INTRODUCTION

1.0 Agriculture has been a basic industry of importance from the time of the first settlers; therefore, a healthy, stable agricultural industry can only continue to benefit Nova Scotia's socio-economic structure.

1.1 Employment and consumers have benefited from a strong agricultural industry, both nationally and provincially. It has been estimated **1 in 5 (20%) persons** in Canada work in occupations linked to food production; for Nova Scotia, the estimates are **1 in 3 (30%).** Furthermore, labor productivity (measured by real net output per person employed) has **risen** since **1971, both in absolute terms and in relation to other sectors** (Market Commentary, Agriculture Canada, December, 1982). In **1981** the **productivity index** (1971 = 100) for **agriculture was 121.0** compared with **107.5 for commercial non-agricultural industries** (Market Commentary, 1982). In keeping with a **high** degree of **productivity and efficiency** the percentage of **disposable income** spent on food has **decreased** from **18.5% in 1950 to** approximately **14.5% in 1984** (2.5% of this was spent on food away from home).

1.2 Estimated Nova Scotia farm cash receipts for 1984 were **$244 million** (Statistics Canada, 1981). With an economic multiplier of 3.5 to 4, there is an estimated spin-off effect of **$1 billion plus,** impacting on the provincial economy.

1.3 While opportunities for further development of the industry exist, there are also a number of constraints which must be addressed to ensure a sustainable agricultural industry. The Agriculture Sector of the Voluntary Planning Board recognizes the industry, in cooperation with the responsible government agencies and the availability of appropriate development 'tools', has the potential in its resources -human and physical - to overcome the various constraints. An example of a development 'tool' would be the recently enacted

legislation concerning 'Abattoirs and Meat Inspection'. Local red meat producers may be able to obtain an estimated $6 million more for their products with inspection being available. Through farm purchases and payroll figures, much of this increase in farm receipts will multiply and yield benefits to the whole provincial economy.

1.4 At this point, it is appropriate to expand upon the process and the organization which led to the development of this paper. Voluntary Planning is a Province-wide organization, unique to Nova Scotia, comprised of private individuals, firms, and groups who together plan for the future. Primarily, it enables the private sector to meet with government in a non-bureaucratic setting to influence policy making. The objectives of Voluntary Planning are:

(a) removal of barriers to development;

(b) identification of opportunities for new and expanded growth;

(c) a means of involving the private sector, on a coordinated and balanced basis, in a continuing program of economic and social development.

1.5 As a member of Voluntary Planning, the Agricultural Sector maintains close contact with the various agricultural associations throughout the Province, thus attempting to represent all segments of the industry and region. Furthermore, it maintains a continuing liaison with government so policies will be established with private sector input during the drafting stage.

1.6 In the fall of 1983, the Sector determined a need existed for developing a Position Paper identifying areas of constraint to future economic development and a long-term sustainable industry. Members of the Sector suggested areas to be examined and, by means of discussions, 'brainstorming' sessions, and consensus building, developed a list of topics.

1.7 Each member of the Sector volunteered, or was assigned, responsibility for examining and developing a 'brief' on one (or more) of the topics. In subsequent meetings, members presented their papers and once again, the methods of consensus building and brainstorming were used to develop a Sectoral view of the topic. Eventually, these topics came to include a brief overview presenting current and possibly future development scenarios, including concerns and proposed solutions. The concerns and solutions are not meant to be all-inclusive.

1.8 This Position Paper is the end result of the commitment and expertise of the Sector members. It is intended as a 'discussion generating brief' for the Sector, various agricultural and commodity groups, and appropriate government departments, ultimately leading to a coordinated long-term strategy plan for the development of the agricultural industry and the benefit of the Province.

II - BACKGROUND

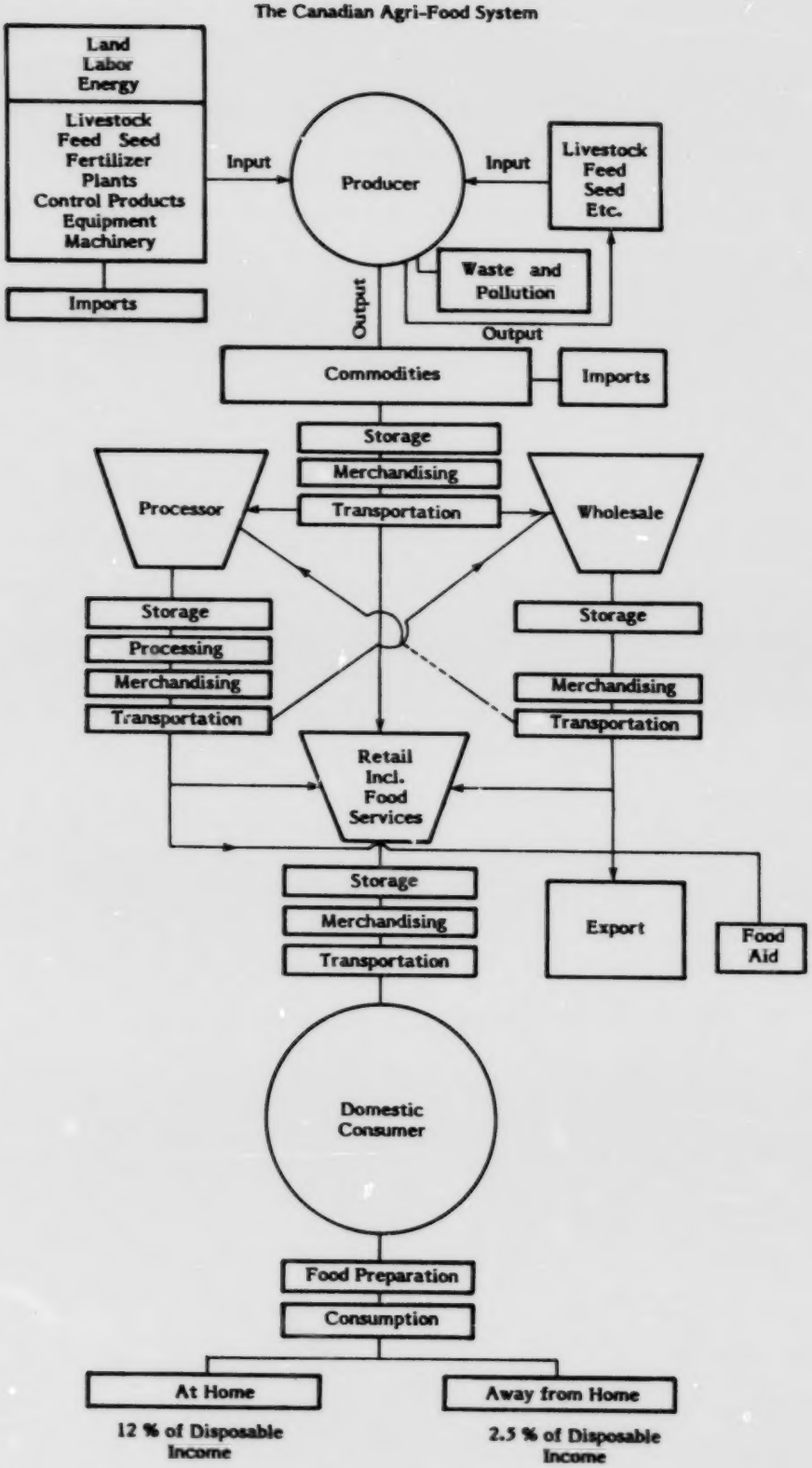
2.0 Since the beginning of the century, agriculture has gone through some rapid changes. Farming can no longer be equated with a rustic way of life; it has evolved into a highly technological, multi-faceted business operation and a billion dollar industry.

2.1 Among goods producing industries, agriculture and the related industry consistently rank high in their contribution to the Nova Scotia economy. Primary agricultural production activity directly supports a high amount of secondary manufacturing in a number of regions. For example, in the Annapolis Valley and Kings County 68 of the 138 (49.1%) manufacturing and processing firms are wholly dependent on local farm production for their primary raw material inputs (Canada/Nova Scotia Agriculture Development Subsidiary Agreement, 1982). Furthermore, backward linkages or purchases from other sectors by the agriculture industry are the most intensive of all primary sectors. The 1984 estimates of farm operating expenses are $200 million; this represents approximately 82% of the $244 million in farm cash receipts reentering the economy in some form.

2.2 The following schematic illustrates the highly integrated nature of the agri-food system, with its numerous backward and forward linkages reaching into other sectors of the economy.

FIGURE 1

The Canadian Agri-Food System



The reader may have noted the system is primarily dependent upon one point - **the producer.** Yet, while the system is based upon the **producer,** he/she **receives** approximately **only 30%** of the agri-food system **dollar.** This is a disproportionately small percentage given the amount of effort, commitment, risk, and capital required to maintain a quality product and the high degree of efficiency (that benefits everyone) achieved.

2.3 Although the paper reflects the Sector's concern for the development of the agriculture industry as a whole and its highly favorable impact on the Province, it has chosen the 'family farm' as the nucleus around which a long-term policy could be developed. A family farm is defined as:

> **"a unit engaged in the production of food, fibre, or timber, owned or managed by a family, or partnership of families. The 'family' does not necessarily do all the labour, but is most likely responsible for controlling the financing and managing of the farm. A 'family farm' imposes stewardship of the land, it being intended for transfer from one generation of farmers to another."**

This includes all farms of 'owner-operated' enterprises - owner-operator family owned partnerships, cooperatives, single proprietorship - except for large absentee interests or conglomerates.

2.4 In using the family farm as the focus of the paper, the assumption was that strengthening and revitalizing the foundation - the owner-operator/producer of the Agri-food system illustration - will lead to an improvement of the structure as a whole. Essentially this is a 'down-up' approach, examining concerns and generating solutions aimed at this base unit would ideally benefit the industry as a whole, and in turn the provincial socio-economic structure.

2.5 The paper's OBJECTIVES are:

(a) **To function as a guide for the Agricultural Sector's endeavors in maintaining, improving, and strengthening the industry as a viable economic activity, yielding the farmer just returns for his efforts.**

(b) **To identify and promote the many benefits agriculture contributes, beyond production and profit goals, to the Province's social structure.**

Together, the objectives may be used to achieve the goal of developing a long-term sustainable agriculture industry strategy paper.

2.6 The following is a review of the agriculture sector; it will briefly examine some macro-economic indicators, the resource base, and its spatial dimension. This topic is simply intended as a highlighting of the sector, yielding general background information on the discussion topics, concerns, and solutions.

(a) Employment

Although employment in agriculture had declined in the past 20 years due to increased mechanization, there has been an **increase** in hired labor in the decade since 1971 (Agriculture Canada, December, 1982). This was in part due to farm consolidation into larger units requiring more labor and higher farm incomes allowing increased wage levels. Nationally, the industry's **wage bill increased** from **$309 million in 1971** to **more than $923 million in 1981.** In Nova Scotia, wages to farm labor **increased** from **$24.8 million in 1983** to an estimated **$29 million for 1984** (Market Commentary: Farm Inputs and Finance, Dec. 1982).

As previously mentioned, labor productivity in agriculture has risen in absolute terms and in relation to other sectors since 1971.

TABLE 1

Index of Labor Productivity[1] (1971 = 100)

	Output per Person Employed	
	Agriculture	Commercial Non-Agricultural
1971 - 1975	101.1	104.1
1976 - 1980	116.4	110.0
1980	112.6	108.0
1981	121.0	107.5

[1]Output measured as real domestic product

Statistics Canada: Aggregate Productivity Measures

The following table illustrates direct employment in the primary and processing sectors of the four resource industries from 1979 to 1982.

TABLE 2

Employment in Nova Scotia - Primary and Related Industries

1979 - 1982 (in person years)

	1979		1980		1981		1982	
	P	R	P	R	P	R	P	R
Agriculture	7,000	3,000	7,000	3,000	7,000	3,000	6,000	3,000
Fishing	6,000	6,000	7,000	7,000	8,000	6,000	8,000	6,000
Forestry	3,000	5,000	3,000	5,000	3,000	5,000	2,000	4,000
Mining[1]	5,000	1,000	5,000	1,000	5,000	1,000	6,000	1,000

P = Primary

R = Related

[1] Includes land and offshore exploration

As mentioned earlier, agriculture has many forward and backward linkages. Secondary employment is generated particularly through fruit and vegetable and meat and poultry processing, and the dairy products industry. Other input and service industries dependent on agriculture include the fertilizer and Veterinary and Artificial Insemination Service business. Over $160 million in expenditures (1983) for other farm inputs and services create employment in machinery, finance and insurance, building and supply businesses, retail farm supply outlets, and many other sectors. It has been estimated that fully **one-third** of Nova Scotia's work force is employed in an occupation linked to the agriculture food system. The following table represents a more detailed breakdown of farm operationg expenses and depreciation charges for 1982 to 1984.

TABLE 3

Farm Operating Expenses and Depreciation Charges - Nova Scotia

1982 - 1984

	1982	1983	1984
	($ thousand)		($ million)
Taxes 1	1,946	2,065	
Gross farm rent	1,347	1,283	
Wages to farm labour	27,142	24,863	
Interest on indebtedness 2	15,015	13,987	
Total machinery expenses 3	21,764	22,671	
Fertilizer and lime	7,843	7,179	
Other crop expenses 4	8,082	8,105	
Feed 5	60,399	62,875	
Other livestock expenses 6	4,047	4,501	
Repairs to buildings 1	4,032	4,342	
Electricity and telephone	4,702	5,190	
Miscellaneous 7	10,276	10,539	
Total operating expenses	166,595	167,600	174.5
Depreciation on buildings	7,655	7,713	7.7
Depreciation on machinery	15,383	15,733	16.5
Total operating expenses and depreciation charges	189,633	191,046	198.8

1 Owned land and buildings only.

2 Interest payments on outstanding farm mortgage debts, owned land and buildings, together with interest payments on all farm business debts.

3 For the farm business.

4 Pesticides, seed, irrigation, twine, wire, and containers.

5 Purchases through commercial channels only.

6 Purchases, artifical insemination charges, purebred livestock registration fees and veterinary expenses.

7 Fencing, custom work heating fuel, stabilization levies, insurance and other services not previously specified.

Proceedings: Canadian Agricultural Outlook, 1983

The total capital value of farms is $897,562,841, with the following breakdown: land and buildings - $633,123,762; machinery and equipment -$150,288,114; livestock and poultry - $114,150,965 (Census of Canada Agriculture, 1981).

Obviously, today's farms are not simple oxen and plow operations; they are modern business operations requiring a large amount of capital. Over half of the Province's farms (57.19%) have total capital between $50,000 and $199,000 (approximately 26% of these are between $100 and $199,000, another 18.7% have total capital value of between $200,000 to $499,000, and 6.6% have over $500,000 in capital value - Table 3).

TABLE 4

Farms Classified by Total Capital Value

	No.	%
Under $10,000	73	1.40
$ 10,000 - $ 24,999	193	3.83
25,000 - 49,999	621	12.30
50,000 - 99,999	1,587	31.46
100,000 - 199,999	1,298	25.73
200,000 - 499,999	942	18.67
500,000 and Over	331	6.56
TOTAL	5,045	99.95

Statistics Canada 1982

Gross Domestic Product contribution by agriculture compares favorably with the other three sectors. The contribution has ranged from $154 million in 1979 to $196 million in 1982 (2.5% to 3%) (Table 4).

TABLE 5

Gross Domestic Product of Primary and Processing Industries

(Value Added in Millions $)

	1979		1980		1981		1982 (estimates)	
	Prim.	Proc.	Prim.	Proc.	Prim.	Proc.	Prim.	Proc.
Agriculture	94	60	109	76	113	71	118	78
Forestry	29	179	27	225	30	244	20	238
Mining[1]	114	28	123	28	127	31	144	27
Fishing	158	158	162	176	185	177	173	182

Prim. = Primary

Proc. = Processing

[1]Includes land and offshore exploration

Economic Analysis Section, N.S. Dept. of Development, 1984

With respect to increases in Real Domestic Product, agriculture has consistently contributed an average of $40 million dollars (constant 1971 dollars).

TABLE 6

Agriculture Industry Contribution to
Real Domestic Product in Nova Scotia

(Millions in Constant 1971 Dollars)

	1976	1977	1978	1979	1980	1981	1982	1983*
Agriculture RDP	32	38	40	38	39	43	44	45
Total RDP	2,656	2,730	2,866	2,917	2,990	3,082	2,942	3,010

*Projected Figures

Nova Scotia Department of Development 1983

Finally, although agriculture has a modest direct impact on the provincial economy, it is of major significance to some of the regional economies. However, given the industry's variety of backward and forward linkages, the **economic multiplier** ranges from **3.5 to 4**, generating an eventual $1 billion plus in the economy.

(b) Exports

While primary industry products ar not fundamentally export-oriented (raw produce primarily consumed locally), the processing side of the industry is fairly involved with exports and makes a contribution to Nova Scotia's balance of trade. Main agricultural exports are those commodities in which the Province enjoys comparative advantages such as apples, blueberries, greenhouse products, certain processed vegetables, and milk.

In the following table, note the healthy increase in exports of processed agricultural products between 1974 and 1979 (last date information available).

TABLE 7

Exports of Primary and Processed Agricultural Products

1974 and 1979

	Total Output ($ million)		Exports ($ million)		Exports as Percent of Total Output	
	1974	1979	1974	1979	1974	1979
Primary Industry Products	104	174.0	18	31.9	17%	18%
Meat and Poultry Products	111	192.6	33	86.2	30%	44%
Fruit and Vegetables Processed						
Dairy Products[1]	—	—	—	—		—
TOTAL	215	366.6	51	86.1		23%

[1]Includes fresh milk and processed products

Exports defined as movements out of Province

Source: Nova Scotia Input - Output Table 1974, 1979

(c) Structure

In the last three decades, the industry's structure has changed significantly across Canada and Nova Scotia. Both the farm and number of census farms have decreased in response to better economic proposals (Canada/Nova Scotia Agriculture Development

Subsidiary Agreement 1981 - 1986, 1982) (Table 8, p. 17). Structurally, the remaining farms have developed effectively into larger economic units. While in the past, this consolidation may have been primarily due to smaller units leaving the industry, current economic conditions may cause the larger units to go out of operation.

In terms of farm organization restructuring, 'Individual Operator' is still the predominant type of organization (87.91% in 1981). 'Partnership' and 'Legally Constituted Company' categories have shown some small increased (Table 9, p. 18).

As previously mentioned, farms have developed into larger, more efficient units. In some cases, economic conditions, higher input costs, and the farmer's declining real income have spurred these expansions so farmers could remain productive and improve the returns on their capital investment.

The highest percentage of farms are in two size categories: 18.5% are between 70 and 129 acres, and 18.0% between 240 and 399 acres (see Appendix B, p. 77). As Table 10 (p. 19) indicates, there is no overwhelming number in any category, but rather a healthy mix of farm sizes.

Good quality land is a key factor in developing a sustainable agriculture industry for the future. However, there is a mistaken perception of a great abundance of land; in fact Canada has less arable land than western Europe, 3 times less than India and 7 times less than the United States. Nova Scotia accounts for 1.2% of national farm production, but accounts for only 0.4% of farmland utilization in Canada. Given that good agricultural lands are already in production, lands of lesser quality will have to be brought into production. Nova Scotia's underutilization of available farmland gives the industry excellent development opportunities (Market Commentary: Farm Inputs and Finance, Dec. 1982).

TABLE 8

Population and Farm Numbers

Canada (By Province) 1976 and 1981

Province	Population				Farm as % of total population		Number of farms	
	Total		Farm					
	1976	1981	1976	1981	1976	1981	1976	1981
Newfoundland	557,725	567,681	3,756	2,494	0.7	0.4	878	679
Prince Edward Island	118,229	122,506	15,792	12,160	13.4	9.9	3,677	3,154
Nova Scotia	828,571	847,442	21,446	18,116	2.6	2.1	5,434	5,045
New Brunswick	677,249	696,403	19,273	15,436	2.9	2.2	4,551	4,063
Quebec	6,234,445	6,438,403	243,528	195,152	3.9	3.0	51,587	48,144
Ontario	8,264,465	8,625,107	341,113	288,743	4.1	3.4	88,801	82,448
Manitoba	1,021,506	1,026,241	114,115	98,375	11.2	9.6	32,104	29,442
Saskatchewan	921,323	968,313	202,715	187,163	22.0	19.3	70,958	67,318
Alberta	1,838,037	2,237,724	219,302	195,284	11.9	8.7	61,130	58,056
British Columbia	2,466,608	2,744,467	74,662	68,714	3.0	2.5	19,432	20,012
Canada	22,992,603[a]	24,343,181[a]	1,255,702[b]	1,081,637[b]	5.5	4.4	338,578[a]	318,361[b]

[a]Includes Northwest Territories and Yukon

[b]Northwest Territories and Yukon not included

Note: A number of the decreases are due to a change in census farm definitions between 1976 and 1981

1981 Census of Canada Agriculture

TABLE 9

Farms by Type of Organization
Canada (By Province) 1976 and 1981 (Number)

Province	Total Farms	Organization: Individual Operator	Partnership: Written Agreement	Partnership: No Written Agreement	Legally Constituted Company: Family	Legally Constituted Company: Other	Other Type
1976							
Newfoundland	878	791	23	--	32	2	30
Prince Edward Island	3,677	3,413	100	--	142	4	8
Nova Scotia	5,434	5,068 (93.26%)	144 (2.65%)	--	174 (3.20%	30 (.55%)	18 (.33%)
New Brunswick	4,551	4,232	71	--	197	29	22
Quebec	51,587	49,049	934	--	1,288	212	104
Ontario	88,801	80,620	4,630	--	2,829	602	120
Manitoba	32,104	29,748	973	--	1,089	165	129
Saskatchewan	70,958	65,281	2,266	--	2,631	406	374
Alberta	61,130	55,737	2,120	--	2,595	374	304
British Columbia	19,432	17,670	571	--	970	157	64
Canada[a]	338,578	311,631 (92.04)	11,833 (3.50)	--	11,948 (3.52)	1,992 (.59)	1,174 (.35)
1981							
Newfoundland	679	555	10	44	37	6	27
Prince Edward Island	3,154	2,639	168	211	119	6	11
Nova Scotia	5,045	4,435 (87.91)	175 (3.41)	221 (4.38)	173 (3.43)	23 (.46)	18 (.33)
New Brunswick	4,063	3,538	94	212	179	27	13
Quebec	48,144	43,946	1,696	893	1,348	194	67
Ontario	82,448	68,410	5,191	5,629	2,690	428	100
Manitoba	29,442	25,701	688	1,965	882	85	121
Saskatchewan	67,318	59,671	1,378	4,003	1,768	124	374
Alberta	58,056	50,169	1,446	3,723	2,269	190	259
British Columbia	20,012	16,715	640	1,147	1,277	164	69
Canada[b]	318,361	275,779 (86.62)	11,486 (3.60)	18,048 (5.67)	10,742 (3.37)	1,247 (.39)	1,059 (.33)

[a] Includes Northwest Territories and Yukon
[b] Northwest Territories and Yukon not included
1981 Census of Agriculture

TABLE 10

Farms Classified by Size

	No.	%
Under 3 Acres	171	3.4
3 - 9 Acres	251	5.0
10 - 69	894	17.7
70 - 129	933	18.5
130 - 179	555	11.0
180 - 239	558	11.0
240 - 399	884	18.0
400 - 559	401	8.0
560 - 759	210	4.0
760 - 1,119	111	2.0
1,120 - 1,599	43	.9
1,600 Acres and Over	33	.7
TOTAL	5,045	100.2

1981 Census of Agriculture

In terms of improved land area, the 1981 Census of Canada Agriculture reports this figure as 439,803 acres. The greatest number of farms were recorded between 10 and 69 acres (44.24%). The following table provides greater detail.

TABLE 11

Use of Farm Land

Improved Land Area:		
Acres	439,803	
Hectares	177,982	
	No.	**%**
Farms Reporting:		
Under 3 Acres Improved	388	7.70
3 - 9 Acres Improved	502	10.00
10 - 69	2,232	44.20
70 - 129	892	17.70
130 - 179	361	7.20
180 - 239	272	5.40
240 - 399	274	5.40
400 - 559	73	1.40
560 - 759	27	.50
760 - 1,119	17	.30
1,120 - 1,599	4	.10
1,600 Acres and Over Improved	3	.05
TOTAL	5,045	99.95

Note: Improved lands are those needing drainage, clearing, fertilizing and improvements -to be brought into or improve productivity.

Basically, the trend in agricultural land use has been one of increase in the last five-year period, as reported by the Agriculture Census (1981). The principal source of this additional land has been land development, particularly clearing, rather than idle properties

which had been farmed returning to production (The Land and Resource Situation of Nova Scotia Agriculture, 1984). Of the increase in land utilization, pasture, summer fallow, and 'other' improved land accounted for nearly all of it.

TABLE 12

Agricultural Land Use - Nova Scotia

1971, 1976, 1981

	1971	1976	1981
Improved Land - Total	375,134	427,184	450,753
Under Crops	249,053	282,802	278,218
Pasture	110,063	107,502	116,777
Summer Fallow	6,427	7,368	13,051
Other Improved	30,132	29,512	35,306

Land and Resource Situation of Nova Scotia Agriculture, 1984

The Province has potential for further increases in the utilization of its agricultural land. However, to bring this land into production will require not only large amounts of capital investment, but should be linked to products which are suited to the local climate (until new strains of crops are developed and licenced), as well as the opportunity for improvement in their markets.

(d) Resource Base

Basically, the resource base is a product of climate and soil quality, and to a certain extent, the soil quality is a function of the climate. Generally, the climate is favorable, particularly insofar as the frost free period is concerned (Profile of Nova Scotia's Agriculture Sector, 1979).

Nova Scotia's cool, humid climate has caused the leaching of large amounts of basic elements; as a consequence 98% of the soils are naturally infertile, thereby requiring high inputs of fertilizer and lime. The Canada Land Inventory classification system reports Nova Scotia as having no Class 1 land, but consists primarily of Class 2 and 3 (land needing some improvement).

The good quality land base is primarily located in the Northumberland Shore, Cobequid Shore, and Annapolis Valley. These three areas account for 95% of the Class 2 land and 80% of the Class 3 land in multi-crop blocks; the Northumberland Shore is the most significant area in terms of Class 2 land (46% of Class 2 multi-crop) (Profile of Nova Scotia's Agriculture Sector, 1979). However, not unexpectedly, the Annapolis Valley is the most heavily developed agricultural area (44% of the capital value and 41% of improved land).

The other four agricultural areas - Antigonish, Sydney, Lunenburg, and Yarmouth - do not share the same provincial economic significance as the aforementioned area, but they do have development potential. All have local urban market access, and Sydney and Yarmouth have direct market potential. To develop these areas, a number of limitations would have to be dealt with.

(e) Human Resource

The industry in Nova Scotia benefits from a high degree of farm organizations and commitment from the farmers. These organizations are farmer controlled and operated, committed to working with their government(s) in building a dynamic industry and, through it, contributing to the Province's socio-economic structure.

There is some concern this high degree of commitment may be constrained by economic conditions. When economic conditions tighten, owner-operators may not be able to contribute their time, thus losing needed ideas and leadership.

The close involvement of owner-operators explains why agricultural economists, independent farmers, and even many large corporate farm managers agree the most efficient producing unit is a farm run by its operator. Once the operation grows beyond the ability of its owner to stay on top of field operations, where critical decisions must be made daily, costs begin to mount (Agriculture Discussion Paper, 1972).

With the population-to-farm-numbers ratio at a very high 690 per commercial farm, it is important the Province does not lose the commitment of these persons.

III - POLICY PERSPECTIVE ON AGRI-FOOD DEVELOPMENT IN N.S.

INDUSTRY

The long-term future of agriculture in Nova Scotia is dependent on a number of factors. Among the most important is the need for continued cooperation and organization amongst farmers and the need to continue planning and working with both levels of government for the development of agriculture as a whole.

With regard to land, there are three points of importance to agriculture, and society: (a) the need for a good land base; (b) the need for farmers to own their land; (c) the need for good stewardship of land. Generally, these three points are dependent on a good return on the money a farmer invests. If farmers were receiving a greater share of the market dollar, they would maximize these points of their volition.

Other areas of importance are: (a) education - there is a need to educate the public, future farmers, and current farmers; (b) research and development -encourage research areas promoting adaptability, competitiveness, and relevance to the Nova Scotia agricultural context; (c) **'stabilization - while this is helpful in the short-term, it is more desirable to increase returns to reflect the actual cost of food in the long-term'**; (d) marketing - there is a need to develop a 'broad' market strategy and encourage greater farmer involvement in this aspect of the industry; (e) skilled labour - technological advances and demands for better farm management techniques have increased the need for skilled labour; (f) transportation - this plays a large role in the industry, hence, there is a need for a responsive transportation policy that will reflect changing needs.

FEDERAL

In **Challenge for Growth,** a recent federal strategy document, Nova Scotia's future in agriculture was determined to be favourable based upon: potential land base capability, growing importance of food in the world economy, proximity to foreign markets, and its overall long-term potential.

Agriculture in Nova Scotia has experienced a growth rate slightly above the national for the past decade. However, the document also recognizes a number of constraints which have to be removed or at least abated to secure the most favourable scenario possible.

The constraints range from inadequate levels of research, price variability, market competition and resource base to regional self-sufficiency, processing, transportation, and long-term capital. The federal strategy suggests a three-pronged approach aimed at: market development, mission-oriented research, and resource base improvement. Based on this approach the **Canada/Nova Scotia Agri-Food Development Agreement (1982-1987)** offers five major programs aimed at alleviating the constraints: market development, technology development, technology acceleration, agriculture resource development, and land development.

Market development is believed to be the key to growth that will also provide direction for the remaining two thrusts of the overall strategy. The broad objectives are to maintain and increase commercial markets abroad, plus, when and where possible, replace imported foods with domestic products.

PROVINCIAL

The Department of Agriculture and Marketing places a high priority on planning programs in cooperation with the farm organizations serving the Province's farmers. An analysis of provincial expenditures on agriculture indicates Nova Scotia's to be approximately 13.3% of the gross farm receipts; only British Columbia's are higher.

The Department is responsible for agricultural development in the Province in its broadest context. The strategy and policies followed involve not only the provision of services, but such programs as agricultural training, provision of credit, and developmental assistance programs.

Basically, the Department's objectives are:

1. Enhance the industry's ability to sustain growth by improving its viability and stability.
2. Maintain and create new employment opportunities in the industry.
3. Expand output and productivity for those industry sectors enjoying an economic advantage in provincial or export markets.

A high priority has been placed on achieving these objectives through a planned series of programs and policies including:

1. Organization and support of the Nova Scotia Agricultural College providing for agricultural education and training in a comprehensive manner.
2. Development of highly specialized testing and laboratory services.
3. Maintaining a skills extension and advisory service for farmers and rural people.
4. Grants to assist financing developmental projects and assist the adoption of new technology.
5. Operating a provincial farm credit program providing capital for farm purchase, consolidation, and expansion.

6. Organizing and operating agencies enhancing the long-term stability of agriculture.

Finally, the Department of Agriculture and Marketing has been aided in their overall program of agricultural development through a series of federal-provincial agreements. The Province played a major role in the initial planning of the current Agri-Food Agreement (1982); which emphasizes the development of new technology, adoption of new production technology, marketing, and land development.

IV - AREAS OF CONCERN AND SOLUTIONS

Topic 1 - The Family Farm

The concept of 'family farm' appears simple enough to define. At its simplest, it implies a family owned operation, whereby one or more members of the family are directly involved in some or all aspects of the operation.

A basic problem with this concept is the outdated image it brings to the public's mind. Family farm conjures images of oxen and plows, old tractors, and a simpler, more rustic style of life. Hence, this public misconception and 'romanticization' of the term may have a 'dampening' effect on the long-term future of the industry. In actual fact farming operations require a great deal of experience, education, technical sophistication, capital, and good business management practices -**they are businesses** with little margin for error. Machines and equipment are not matters of luxury - **they are tools.** The public does not realize this equipment is essential for a farmer's profit margin; without them the margin is reduced.

Another problem with the term has been economic factors causing new and different farming arrangements. For example, if net income is more than $30,000, it may be advantageous to form a limited company and receive the tax breaks given to small businesses. In some cases a husband and wife team may form a legal business partnership to take advantage of tax breaks. As with other businesses, the motives of profit, efficiency, and expansion present in other industries are present among farmers.

Perhaps one reason 'family farm' continues to be a popular term is its 'owner-operator' aspect. While agriculture benefits from the 'mix' of farming interests, it would be less desirable to have a high number of farms operated by a few board of directors. As

previously mentioned, the most efficient producing unit is a farm which can be run by its owner. A board of directors, given the extended lines of communication, does not lend itself to having decisions made quickly and acted upon right away. There is little match for the initiative and drive of individuals who own and know their operations.

Since the industry enjoys and benefits from a diversity of interests, there is a need to ensure owner-operated farms continue to be viable. **The most desirable method for achieving this would be to increase/improve the returns a farmer receives from the business so total cost of production is covered by the marketplace.** This would allow entering farmers the opportunity to own their land, thus increasing the likelihood of there always being a healthy number of owner-operated farms.

Concerns	Solutions
- High entrance costs, aided by the low price of the product, make it difficult for 'new farmers' to own their land.	- Improving returns on farm business to reflect the true costs of production.
- The equity of farms decreasing; succession of farm units; possible loss of operations.	- Possibly determining 'optimum' mix of operations: operations analysis determining overall capabilities.
- Term 'family farm' conveying detrimental impressions to public.	- Support education of public on what farming entails.
- The possibility of farming operations being over-represented by a few board of director interests in the future.	- Examine/improve opportunities for recovering cost of production from marketplace, which may encourage 'new entrants' to invest.

Topic 2 - Succession of the Farm Unit

The farm as a practical economic unit incorporates four basic factors: physical size (in relation to potential production); capitalization in the form of real estate,

equipment, livestock, and crops; management and expertise; and finally manpower. The primary concern in this area is that the 'farm' remain an economic, productive unit when sold or passed on. Given a population-to-commercial farm ratio of 690 persons per farm, the Province can ill afford to allow a productive unit to 'retire'. With the fluxes in interest rates and the economic sphere, it may be harder for some farms to remain in production after succession, because they may be viewed as high risk investments for low return. Therefore, it is very important for the farmer to receive a greater share of the market dollar. Finally, the retirement rate from farming activities anticipated during the next few years is high, making the succession of farm units an important area of concern.

Concerns	Solutions
- Education of owners to ensure business is in 'proper' shape.	- Expand educational opportunities dealing with management, and tax law. - Educate farmer-owners, on the advantages and disadvantages of incorporation.
- Capital gains tax could cause ill-planned break-up/transfer of farm units. - Calculated tax on capital gains may change inherited property from an asset to a liability by taking working capital to make tax payments.	- Seek possible concessions in capital gains tax.
- Succession of farm to be handled so it remains a productive, viable unit; high degree of capitalization an important point.	- Increase farmers' return on investment, improving the high risk image of farming, and improving purchase power.

Topic 3 - Security of the Farm Unit and Community

A successful farm unit can contribute greatly to a stable, secure community. Thus, it is important to educate the public on the value a healthy farm unit has in the

community and the economy, both in direct employment and spin-off activities. Backward linkages or purchases from other sectors are the most intensive of all primary sectors. With an economic multiplier of 3.5 to 4, the estimated impact of spin-off activities is $1.16 billion. In addition to its provincial impact, agriculture is particularly important to the rural quality of life. In many cases, the industry represents the economic base for the area and provides the economic justification for the infrastructure servicing farm and non-farm rural dwellers. Involvement by the farm operators in community activities and the responsible operation of farms (particularly in environmental matters, e.g., chemical usage, odors) will foster a better understanding, and working relationship, between these two interests, thereby creating a stable and secure atmosphere for both.

Concerns	Solutions
- Farm units being responsible community 'citizens' especially in environmental matters.	- Public and media education concerning farming environmental activities.
- Protection and security of farm land from encroaching urban activities.	- Appropriate zoning, proper and workable trespass laws aimed at protecting farm land; examine question owner-operator liability.
- Nature of relationships between farm units and urbanized areas (community).	- Continued involvement of farm people in community activities.
- The image farm operations have due to spraying activities (present effects of non-spraying).	- Encourage education of general public as to the necessity of spraying and spray content of imported produce.
- Use of unlicensed/unapproved chemicals on imported goods, placing local farmers at a disadvantage.	- Encourage improvement in licensing procedures and/or encourage import restrictions on produce containing chemicals unlicensed in Canada.

Topic 4 - Food Philosophy in Canada

Food policies in Canada have generally reflected a straight trade-off between the interests of consumers and producers, such that one dollar in producer subsidy is preferred over a higher cost (at least in the short-term) to consumers. This 'cheap food philosophy' has allowed the average Canadian consumer to enjoy a higher standard of living. Food purchases as a percentage of disposabie income is down from 18.5% in 1950 to 14.5% in 1984 (2.5% of this spent on food out of the home), thus allowing for greater consumption of other products. However, when the average Canadian spends less on food, the farmer receives less income and therefore cannot as easily enjoy the same benefits of a cheap food philosophy.

A 'cheap food' policy generally refers to policies which artificially reduce the domestic terms of trade for agricultural products. On an international basis, Canada is generally closer to the European model and orientation (protectionist). However, there are examples of foreign produce being imported - Chinese apples, Irish beef - and sold at a lower price than Canadian grown products.

Webster's New Collegiate Dictionary defines 'cheap' as "an item purchasable below the going price or the real value." While there are no examples in Canada of agricultural commodity prices being held below international trade levels, it does not mean the going price is reflective of the real value of the product.

In many cases, this problem may be inadvertently initiated by various trade agreements which may aid a particular sector of the economy but adversely affect another. This occurs particularly when countries demand an exporting country import a product in return. Furthermore, Canada has few foods subject to import quotas and maintains the lowest tariffs on imported foods of countries in the industrial world. Since these products

generally have lower input costs, they place downward pressures on regionally/nationally grown products and subsidies are then required to cover the difference. Unfortunately, these subsidies often do not cover the full costs, and are in some cases received in a later year (1981 subsidy received in 1983 for example). Not surprisingly, the money for subsidies come from consumers' taxes, in essence, supporting a higher price (although not necessarily the full cost). Assuming this to be the case, would it not be simpler if consumers purhcased their goods at their actual market price, thereby allowing farmers to receive their returns from the market?

Purchasing lower priced imports when our own products are available causes money to flow out of the local economy. Had that money remained in the economy, it could have created spin-off benefits in local households. So, buying local produce when possible, even though it may be more costly, is likely to be a better 'value' given the ripple effects it generates.

Lower prices on produce may be further compounded by discrepancies in calculating input costs. Currently, they do not account for the farmer and family's labour thereby underestimating the 'true costs' by these hidden inputs. Also, input costs continue to rise, while the product's price is subject to downward pressure.

Finally, the price of produce reflects all the 'value added' costs which accrue to it once it leaves the farmgate. The market price does not reflect what the producer actually receives. In general, it is a disproportionately small amount of the agri-food dollar - estimated at 30 cents per dollar.

With the importation of relatively cheaper food products influencing nationally and regionally grown products, it is conceivable a number of negative scenarios could unfold.

For example: loss of agricultural product mix, only those products which are not grown elsewhere or are profitable would continue; loss of farmers and/or farms; regional specialization, which would have serious implications for certain commodities and thus the provincial agricultural industry; and increasing dependence on foreign food products. In any of these cases, Canada and Nova Scotia would be gradually eliminating its options for future food production strategies.

Furthermore, the decline of agricultural production, and the loss of potential production, has far reaching implications for other farm and non-farm related industries which it currently supports.

The sector recognizes there are no quick or easy solutions for this concern; however, it does feel consultation by both levels of government with various farm interests is necessary in order to mitigate possible adverse effects from trade agreements.

Concerns	Solutions
- Loss of product mix leading to over-specialization.	- Further development of marketing systems aimed at maintaining and expanding diversity where feasible.
- Increased dependence on foreign food production, particularly for products easily grown locally.	- Encourage development new and old marketing systems; and research possible tariff system linked to local crop season.
- Decrease in agriculture product mix leading to corresponding decreases in farms and related non-farm industries.	- Ensure all units of a commodity are used before allowing imports in that commodity.
- Importing of "relatively cheap" food products causing loss of competitiveness and a decrease in expected returns.	- Encourage use of protectionist policies where policies exist against Canada by exporting nations.

Concerns (Continued)	Solutions
- Farmers becoming increasingly dependent on subsidies to remain viable; not a good long-term solution.	- Greater government, industry, dialogue for better mitigating programs being developed. - Examine possible use of produce import restrictions based on chemical content, particularly those chemicals unlicensed in Canada.

Topic 5 - Farm Organizations

Farm organizations refer to those organizations dealing directly with Agricultural and Farming concerns, with all memberships held by farmers and run by the membership. Nova Scotia is fortunate to have a highly organized agricultural sector which has maintained a high standard of food products for the population and maintained relative stability in an industry characterized by peaks and troughs.

These organizations have played, and continue to play, an important role in Nova Scotia's agricultural community. Farm organizations can be the voice of their membership in educating the public and government on the value of a 'healthy' food producing industry.

Furthermore, these organizations play a variety of important roles, from encouraging cohesiveness, communication, and cooperative actions among the various producers, to developing responsible, future leaders of the agricultural industry.

Concerns	Solutions
- Possibility of 'self-orientation' or dictatorship organizations; organizations become static, losing flexibility to respond to new needs/situations.	- Encourage research and development of possible new roles.
- Loss of knowledge/information from past leaders.	- Encourage systems allowing for transmission of experience/knowledge of former leaders; continued support for leadership skills training.
- Public misinterpreting role of farm organizations, commodity boards as simply demanding money.	- Greater public education concerning benefits accruing to society, and consumers from organization activities.
- Loss of 'self-funding' and independence fostered by this.	- Continued support of the various organizations.

Topic 6 - Farm Management

Farm management is not only the day-to-day 'running' of the farm, but includes long-range planning and objectives. This implies the compilation of information by identifying needs, organization operations, predicting changes, budgeting and securing finances, cash flow management, and controlling this by proper direction. Management is a very important issue, seeing as the responsibility for management is in the hands of fewer people than ever before, while the responsibilities of meeting rising food demands have increased. The sector perceives management as an important area of expansion, given it is one of the areas under a farmer's control which could yield better returns.

Concerns	Solutions
- Loss of personal dedication through the loss of farm units, and the rise of board of director interests.	- Increase farmers' share of market dollar supporting the use and development of good management techniques.

Concerns (Continued)	Solutions
- Greater responsibilities in the hands of fewer producers.	- Encourage greater education and involvement in marketing; education process to include new management techniques.
- Present labour force not recognizing greater farm labour specialization requiring long, hard hours, and a high percentage of on-the-job training.	- Encourage efforts to include farm occupations on "Occupation of National Importance" list; encourage greater media exposure on what farming entails.
- Loss of land stewardship - the inter-relationship of water supplies, topsoil, woods, wildlife, etc.	- Examine possibility of tax incentives to ease costs involved in good management practices.
- Possible detrimental effect on industry's image due to lower wages (currently, where possible farmers comply with labour code standards.	- Increase farmers' return on investment, allowing them to pay higher wage.
	- Examine possible development of a comprehensive management system involving sector common points.

Topic 7 - Farm Operated Business Organizations

Nova Scotia has over 40 farmer-owned and controlled organizations serving the agricultural industry. These range from supplying insurance, to agricultural input sales, to marketing agricultural products. These organizations have assets in excess of $100 million (approximately $50 million of this owned by agricultural producers of the Province), and total sales volume of over $300 million annually. In recent years, approximately 20% of the value of Nova Scotia agricultural production (or $50 million) has been exported.

This reflects a traditionally long standing role taken by the Nova Scotia farmer in being integrally involved with all aspects of the industry (see Appendix A, p. 75).

Concerns	Solutions
- Business environments not being conducive to continued strong involvement by farmers in their own business.	- Encourage greater investment opportunities in co-ops along with private sector ventures.
- Greater market involvement; vertical integration of activities.	- Expand market involvement, including opportunities for export wherever feasible.
- Time and energy committed to organizations may be lost if economic conditions do not allow farmers to leave their operations.	- Encourage the continued support of cooperatives; also support producer interest in their produce beyond farmgate.

Topic 8 - Achievement of Greater Market Potential

In general, consumption and market trends resulting from changes in tastes, diets, competition from product substitutes, and lifestyles play an important role in altering relative self-sufficiency in various food items.

The question becomes, to what extent is self-suffiency in foods desirable, feasible, or practical? The sector's general feeling is this figure should certainly be more than the current 33 percent. The challenge is to achieve an equitable balance between free trade (efficiency, competition) and self-reliance, including basic economic security (protectionism). Also, the potential for increased production and self-reliance must be related to the market.

Concerns	Solutions
- Limited, or non-existent import tariffs.	- Encourage development of existing and new producer controlled marketing systems dealing within and out of Province; also encourage development of year-round sales of fresh products.

Concerns (Continued)	Solutions
- Advantage in promotion budgets of large, corporate controlled products versus farmer controlled products.	- Encourage/enhance promotion of Nova Scotia produce - generic or by food group.
- Examine and evaluate agri-food system as a whole to improve returns.	- Ensure a consistent, fair return based on production figure costs, including farmer's labour and investment; also examine establishing minimum price at farm gate.
- Adequate, up-to-date information regarding trends and prospective changes in markets, lifestyles, and tastes.	- Strengthen consumer/farmer liaisons, also encourage information aimed at increasing consumer awareness on food value and production costs.
- Adverse effect of volume trade discounts on smaller farm interests - large firms get discounts on large supply purchases.	- Examine possible "shared" purchasing systems.
	- Encourage strong cooperative efforts between farm organizations, commodity marketing boards, processors, wholesalers, and government in their bargaining roles.

Topic 9 - Land Use

High quality agricultural land, the foundation of the agricultural industry, is in limited supply in Nova Scotia. It has been projected 20 to 30,000 acres of rural land will be taken up by housing and non-farm use (e.g., road building). Still, this is a small number when compared to the amount of idle land and marginally potential forest land that could be brought into production. However, to 'improve' this land to the point where it could be agriculturally productive requires time and money. Fortunately, the Province does provide some assistance for land clearing, but these funds are quickly exhausted. Once again, if farmers could receive a better return on the product sold, the decision to bring further land into production, or how it is best used, would be taken care of by their management.

Another major problem to the industry is the 'speculator' land owner, who controls the land solely for future, personal financial gain. A strong land use policy, and regulations must be developed to protect this vital resource. Finally, erosion is also a major problem robbing the Province of its natural resource.

Erosion is primarily due to water - run-off from rain, rivers, and tidal wave action - and has short and long-term effects on productivity. Short-term effects include washing out of seeds and nutrients, deposition of sediment on new seedlings, and gullying; long-term includes removal of organic matter and rich surface horizon leaving the poorer subsoil as the cultivation media. This type of long-term effect is not simply a loss to the farmer, but a natural resource loss to society as a whole. Accepting that soil conservation and a sustainable agricultural system are necessary goals, **action is a responsibility of everyone.**

Concerns	Solutions
- Land being let 'idle' or held in speculative interests still receiving tax benefits.	- Formerly productive land not used for several years should be taxed unless it returns to production.
- Loss of productivity and deterioration of good quality land due to erosion (water primarily).	- Encourage investments, policies/ programs aimed at reducing soil erosion.
- Loss of agriculture land, and related increased prices for remaining land.	- Examine the possibility of land banking through the land purchase/leasing policy.
- Trespassing and damage by all-terrain vehicles; nuisance complaints from neighboring land uses.	- Tighter, enforceable land-use controls to protect current productive lands and future, potential good-quality lands.
- Need for accurate estimates of idle land.	- Encourage the development of a 'Land Use Resource Board'.

Concerns (Continued)	Solutions
- Possible conflict between public sectors and private sectors and agriculture land-use interests.	- Encourage greater dialogue, and the exchange of planned land-use activity information among major users of land - e.g., forestry, agriculture, mining, and appropriate government departments.

Topic 10 - Land Improvement: Future Use, Size, Livestock, Crop and Farm Trends

While loss of farmland has occurred to varying degrees throughout the Province, Nova Scotia has experienced a growth in improved land since 1976 (see illustration p. 44). Federal and provincial government programs have provided assistance for draining, removing rocks, and applying limestone for much of this land.

Basically, the present size and mix of operations (livestock and crops) varies by areas, proximity to and encouragement by processing plants, soil type, micro climates, and market opportunities. Also, rising transportation costs have created a greater need to produce grain as feed for the large livestock units. As this becomes more feasible, there may arise a need to bring more land into production.

Land is one of the keys to a sustainable agriculture industry; however, approximately only 5% of Canada's land mass is suitable for field crops. Given that much of the good quality land is already in production, the future lies in the ability to bring marginal lands into production. Nova Scotia is presently under-utilizing its agricultural land capacity; of a potential 2.8 million acres of land suitable for farming, only 440 thousand acres of improved land is being utilized. Nearly 50 percent of the cleared land is not being farmed at all and growing back into weeds and bushes. Nova Scotia, however, is one of five remaining regions in Canada able to accommodate significant expansion of the agricultural land base.

Many factors will affect the future of agriculture. Future farmers will have to carefully examine the economics and viability of proposed units. Many of the farm operations which developed into large units are so integrated by way of equipment that it would be unsound to divide them, hence, creating costs barriers to 'entering' farmers.

Generally, farms will continue as they are today with respect to mix of livestock and crops. By not being totally specialized, such as farms in Quebec and Ontario, the industry in Nova Scotia has not lost as many farms. Farm size and organization are those areas most likely to change as predicted by economic factors, changing management techniques, and quotas (depending on the commodity).

Concerns	Solutions
- Loss of productive lands by letting them lie idle; also ill-planned break-up of larger, integrated farms for resale.	- Reduce land speculation or loss by assisting 'entering' farmers (where feasible); examine possibility of land banking systems.
	- Encourage stewardship of land base.
	- Examine possible reinstatement of taxes on farm land which has not been used for several years.
- 'Double' cost to farmers, industry and society -- cost associated with (a) losing productive land, and (b) improving potential and idle agricultural land.	- Support for 'Land-Use Resource Board' which could monitor potential land loss or improvement.
- Efficiencies of farm operations compromised by higher input costs.	- Increased share of market dollar allowing farmers to manage towards optimum efficiency and returns; encourage efficiency in farm operations where feasible.
- Loss of ability to compete with outside producers for local markets (where feasible).	- Encourage further farmer involvement in marketing efforts.
	- Encourage management fostering flexible operations that could use 'new' products/markets as they arise.

FIGURE 2

Change in Agricultural Land Use
1971 - 1981 by Census Sub-division

Source: Land Resource Situation of Nova Scotia Agriculture, 1984.

Concerns (Continued)	Solutions
- Rising costs of transportation compounded by erosion of FFA benefits.	- Encourage policies directed at greater self-sufficiency in feed supply (e.g., Maritime Farmer's Council Feed Cost Equalization proposal).
- Shorter work hours leading to increased numbers of hobby farmers.	- Encourage redefinition of full, part, and hobby farmers; discourage hobby farmers from receiving same benefits as full and part-time.
- Loss of land leads to higher prices for remaining lands, adds to high entry costs.	- Encourage increased support of Land Development/Improvement programs.

Topic 11 - Financing

The agricultural community is basically serviced by three types of financing and the related financial institutions: Long-term, primarily mortgages to cover the costs of entering (or major addition/expansions) the business - serviced by the Nova Scotia Farm Loan Board. (Note: the Board may have to play a larger role as this Province's safety net against farm bankruptcy given national projections, by Statistics Canada, of a 3% drop in net farm income and a 6.5% increase, to $16.44 billion, in operating costs and depreciation charges adding to the farmers' financial burden.) Short-term, primarily used for capital improvement (buying new equipment) -serviced primarily by the commercial institutions, cost-sharing grants from the government(s), and banks; Operating loans, primarily used to meet cash flow problems - serviced almost entirely by banks.

In long-term aspects of financing, the farming iterests appear to be well served, but there are some areas in short-term financing which affect the effective operation of the farm. As with any business enterprise, not only is the type of financing important, but its availability without major delays and at reasonable lending rates is also of importance. Financing plays a major role in farming, particularly since there are pressures to keep

product prices below input costs. In some cases, financing is needed to carry out farming activities for the year - the farmer borrows on the assumption of harvesting a good crop at a good price. In others, it is needed to purchase a needed piece of machinery which may help lower input costs.

With total operating costs of $167.6 million for 1983 (Table 3, p. 11) and projected costs of $174.5 million for 1984, financing plays an important role. Furthermore, the Department of Agriculture and Marketing has estimated that (not taking Farm Loan Board activities into account) **every 1% increase in interest rates costs a farmer an additional three-quarters of a million dollars.** The need for financing at reasonable rates is imperative.

Concerns	Solutions
- Nova Scotia Farm Loan Board policies concerning lending rates to full/part-time and hobby farmers.	- Hobby farmers should not be encouraged to apply for loans from the Farm Loan Board.
- Current definitions and terms used to describe farming activities.	- Encourage the development of standard, acceptable definitions of full/part-time, and hobby farmers.
- Farmers being locked into high interest rates.	- Encourage development of preferred lending rates at private lending institutions; improve farmers' share of market dollar, decreasing reliance on private lending institutions.
- Many federal grants are directly related to capital purchased, causing farm activities to be planned around purchases.	- Subsidy delivery (a) directly - so farming activities may be planned first, rather than capital purchase; (b) link subsidy to output production; (c) some combination of direct and production linked transfers.
- Viable farm operations experiencing negative impacts due to factors out of the operator's control, possibly going out of production.	- Policy/program development aimed at assisting viable farm operations experiencing extreme negative conditions beyond their control.

Nova Scotia Agriculture and Taxation Issues

Taxation from four levels of government affects the Nova Scotia's farmers and their income.

(a) Municipal Taxes

Property tax is based upon the assessment of farm home, buildings, and acreage surrounding these buildings. While farmers do not pay tax directly on farm land, farm land is still assessed, and this figure is significant in the 'Change of Use Tax' and 'Capital Gains Tax'. Farmers should audit assessed values on their farm land to ensure it does not increase above the average real market value of farm land for their region.

Assessment of farm buildings has become an issue, particularly where reassessment is taking place. Some assessors have used a figure as high as $18 per square foot for a poultry barn, where actual construction costs of recently constructed poultry barns has not exceeded $14 per square foot. Furthermore, workshops, machine storage and repair buildings on a farm property have been assessed on a commercial machine shop or garage basis.

(b) Provincial Taxes

The sales tax on building materials represents an excessively high cost in the construction of new farm buildings; exemption on these items as in New Brunswick would be desirable in order to maintain competitiveness. Farmers should be exempt from provincial sales tax on items used in producing food or fur, inclusive of building materials used in farm building construction. Furthermore, the list of items currently exempt should be broadened to include petroleum and petroleum products used by farm tractors, trucks, and self-propelled farm equipment in the production of goods.

(c) Federal Taxes

The definition of farmers used in Section 31 of the Income Tax Act has caused some difficulties. This section, dealing with part-time farmers, allows for deductions of farm losses, to a limit, where a reasonable expectation of a profit over a period of five years, exists. However, recently many hobby farmers whose operations can never reasonably be expected to make a profit have filed as part-time farmers. Revenue Canada sent auditors to farms where large off-farm incomes were present, and tax returns were reassessed with back tax bills as high as $10,000 being issued. Unfortunately, many traditional small farm operations which have not been able to make a profit in the past five years were also subject to the audits and reassessments. It is felt a stricter definition of hobby farmers is needed, and the $5,000 basic loss limit should be increased by a reasonable inflation rate. This would provide a better level of loss write-off for part-time farmers that qualify in every other respect.

The 'Capital Gains Tax' can be very important in establishing indirect, yet influential, agricultural land use control. It would appear the incentive to improve and keep agriculture land in production is restricted by this tax. The sector feels this tax should be removed from the sale of farm land that will be retained in farming, regardless of whether the purchaser is related to the vendor. In effect this would assist in preserving agricultural land because it limits the financial burden on the seller and buyer; it further aids the seller in that farm operations are the farmers' pension plan. Generally, policies should aim at retaining present acreages of agricultural land for the purpose of food production; it should not become a subject for speculation by development firms or financial institutions.

'Federal Excise Tax' on fuel: the current 9% tax on fuel contributes to the high cost of production for machine intensive operations. Given this tax has already been removed for another primary industry, the removal or abatement of this tax on farm fuels

would assist the farmer in coping with increasing input costs, particularly when these have increased over the six and five percent suggested by the federal government.

(d) Village

The final level of taxation affecting a percentage of Nova Scotia farms is the village tax. This is an added level of taxation levied by the villages to cover the costs of their providing services. In some cases, these services are of direct benefit to farm operations - police and fire protection, but generally benefits accrue primarily to neighboring non-farm rural dwellers. The basic concern with this level of taxation is the non-recognition of individuals in an incorporated farm as ratepayers; since they are classified as electors, they do not have a say in how taxes are spent.

Topic 12 - Grant Programs

Grants, while aiding the individual, appear to be a questionable method of long-term aid when considering the industry as a whole. In general the grant promotion process focuses primarily on the compilation of a form. The criteria included on the form appear to be lacking 'common sense' factors, thus being of primary benefit to anyone who can fill in a 'good' form (there is a feeling that operations may be made to look better on paper, especially where there are limited criteria requirements). Also, forms do not reflect a host of forces (history of farm, education, microclimate, competing enterprises) which could affect the reception of grants.

Concerns	Solutions
- Grants are a questionable method of long-term aid.	- Support linking of grants to the development of sustainable agriculture opportunities.

Concerns (Continued)	Solutions
- 'Common sense' appears to be lacking in grant application requirements; heavy reliance on "farm filling" as method for granting monies.	- Encourage less dependence on filling of forms and greater use of discretionary powers for the approval of grants. - Link promotion of grants to farm management plans. - Grants for expansion to be linked with market development where needed.

The Hog Industry

The following is an example of what may occur when grants encourage expansion without reciprocal development of the market; it could also happen to other sectors. In the late 1970's, the Nova Scotian pork producing sector experienced rapid growth; production was expected to reach 50% of consumption in 1979.

Much of this rapid expansion was encouraged through good prices for pork, low feed prices, and capital grants up to $20,000 on barns and 50% of the cost for manure pits, through the hog incentive policy. The type of persons entering the industry at this time were mostly young people in low equity positions and some older, established farms.

Eventually, the same factors responsible for the industry's expansion were to cause serious problems. Low grain prices, due to large grain crops with not enough export markets, increased drastically because of a poor crop in 1983 and the U.S. reducing grain supplies by paying their farmers to grow less acreage of grain. This immediately translated into higher input costs as feed accounts for up to 75% of costs of hog production.

With the extra hog production in place in Canada and the price of grain greatly increased, some of the herds across North America were sold off, thereby placing more pork on the market and lowering prices further. In addition, stabilization prices helped support lower hog prices, but did not support all the costs a producer incurred. Finally, the nation's economy being depressed and interest rates increasing to above 20% in operating loans, forced many hog producers into positions of extreme financial trouble.

Currently, the industry appears to have regained some ground in recovering from this setback. In spite of the downswing, the industry has maintained one of the top quality (if not the top) hogs in the world. Nova Scotians are able to enjoy **the best cuts** available when consuming local pork.

Topic 13 - Marketing and Promotion

Marketing and promotion of locally grown products, intra and inter-provincially and internationally, has increased in the past three to four years. This is partially due to the efforts of various individual farmers and a small, but dynamic group within the provincial Department of Marketing and Promotion. Even with these increased efforts, there exists a large untapped potential for further expansion if a number of constraints could be eliminated or reduced.

Currently, two of the largest constraints are funds and personnel. Although funds are available from the provincial and federal departments, the costs of designing, developing and printing promotional materials often make them insufficient for some of the operations and commodity boards. Additional personnel would allow the Department to reach and deal with more potential clients, thus generating favourable conditions for local

products. In some cases, individual farmers or groups of farmers have pioneered various areas of marketing and promotion. For example, Nova Scotia fruit growers originally exported apples to Europe on their own initiative. Currently, the Nova Scotia Fruit Grower's Association is involved in promotions both abroad (the U.K.) and provincially. The 'Farm Fresh' market reports originated with roadside markets and eventually expanded to include 'U-Pick' operations. Various commodity groups take the initiative to promote their product; currently the Milk Producers Association are urging consumers to use pre-printed thank you notes if they have been served real dairy cream or to leave a card expressing disappointment if they had not.

Generally, the Department is involved with educating consumers, processors, and producers on product availability, handling and packaging, effective and efficient produce use, and market tastes. Furthermore, it has coordinated and helped design exhibits and promotional material for commodity markets, fairs, exhibitions, and mall exhibits. More specifically, its activities range from coordinating U-Pick's advertisements, promoting new potatoes for the Potatoe Marketing Board, promoting wild blueberries at national food shows (a joint Nova Scotia/New Brunswick effort), coordinating generic promotion and public relations work for the Nova Scotia Milk Producers Association, and developing radio and news advertisement for the Apple and Fruit Marketing Board.

Concerns	Solutions
- Funds and personnel limitations for marketing activities.	- Encourage public sector financial support for marketing activities.
- Some farmer reluctance to engage in promotion.	- Encourage producer education on the comparative advantages of promotion (individually or cooperatively).

Concerns (Continued)	Solutions
- Lack of a central body, such as an Ontario Food Lands organization.	- Examine possible development of, or use an existing organization as, a central agency (including all commodity groups) for generic promotions. - Encourage further individual and/or cooperative efforts in marketing/promoting goods intra and inter-provincially, and out of country.

Abbatoirs and Meat Inspection

Recently, the introduction of provincial legislation dealing with Abbatoirs and Meat Inspection has provided local red meat producers an opportunity to obtain over $6 million more for their products. The much needed legislation enables smaller abbatoirs to have regular inspection of livestock if they so wish. This legislation is an example of the type of long-term development tool necessary for a sustainable agriculture industry.

The Sector encourages the Province to implement regular evaluation of the program to maintain standards and creditability; furthermore, the Province is encouraged to consult with producers/farm organizations when amendments are considered.

Topic 14 - Human Resource Development

Further growth in the industry is dependent on the new entrants having appropriate agricultural educations and experience. Although demographic trends had shown a decline in the number of younger farmers, recent figures from Statistics Canada have shown a small, but encouraging, rise in the under 25, 25 to 34, and 35 to 44 age groups from 1976 to 1981 (see Table 13, p. 55).

The challenge thus, is to develop policies and programs encouraging the greater development and use of our human resources in order to maintain, and strengthen the industry. A step in this direction would be the inclusion of farm occupations on the list of Occupations of National Importance; currently there are six occupations on the Occupations of Regional Importance List. Nova Scotia has recommended that Farm Manager and Farm Supervisor be included on the National List.

Concerns	Solutions
- The image of the indusry and of farm careers to prospective and current employees (some have non-farm backgrounds).	- Develop general awareness programs aimed at advising people on the future of farm careers as full-time employees.
	- Develop programs centred on the concept of 'pride of occupation'.
- The media and public understanding and representation of the industry.	- Encourage more general awareness programs for young people and general public; encourage media involvement in the education process so they may better understand the industry.
- Persons entering the industry be aware of new techniques in farm operations, and required qualifications.	- Encourage and strengthen courses involving new technology in farm management and production.
- Possible recurrence of high retirement for farm operators and special support services.	- Encourage/recruit persons to enter professional and technical staff positions; encourage other provinces to press for inclusion of farm occupations on "Occupations of National Importance" list.
	- Expand and encourage opportunities to update present farmers through meetings, travel, demonstrations, and seminars.
	- Support development of leadership skills programs to meet ever-changing challenges.

TABLE 13

Farm Operators by Age Group, for Nova Scotia and Canada

1976 and 1981 (number)

	Age of Farm Operators								
	Under 25	25 to 34	35 to 44	45 to 54	55 to 59	60 to 64	65 to 69	70 and over	Total
1976									
Nova Scotia	79	690	1,036	1,381	712	689	416	431	5,434
Canada	12,153	51,920	74,351	92,565	40,591	31,618	18,518	16,862	338,578
1981									
Nova Scotia	90	778	1,120	1,232	591	521	370	343	5,045
Canada	11,668	56,534	71,704	80,545	37,348	28,622	17,635	14,305	318,361

Topic 15 - Extension Services

In tracing the development of agriculture in this Province, it would soon become apparent the 'human' element accounts in large measure for the success that has been achieved. The word 'extension' by definition means extending knowledge, and over the years a major portion of the emphasis in public sector extension has been directed toward individual development. The Department of Agriculture and Marketing feels it has an important stake in Nova Scotia's agriculture offering a full range of programs in education, extension, and service. Further development of the human resource is important to the long-term development of agriculture.

Concerns	Solutions
- Prevention of future high declines in the number of farmers as a whole or sector specific.	- Encourage more leadership courses including use of the Farm Skills Training program.
- The recruitment and proper preparation for replacement operators/employees.	- Offer or participate in upgrading courses in various aspects of the industry; encourage more informational meetings/practical demonstrations.
- Needs of new farmer, particularly those with non-farm backgrounds.	- Strengthen advisory type programs and services helping young people gain equity in their business; also encourage greater involvement of men and women in programs like Young Farmers Conference, Farm Women's Conference, Farm Management Clubs.
- Greater recognition of farm employees as an important element of farming.	- Develop opportunity awareness programs aimed at persons currently involved in the industry, and the public in general.

Concerns (Continued)	Solutions
- General public's knowledge of food production and farming operation's/ industry's image.	- Need to develop and strengthen ties with media industry.
	- Continued assistance in Extension's current activities, e.g., 4H, financial planning assistance.
	- Programs directed at maintaining the family farm as an important and viable part of the agri-food business.

Topic 16 - Basic and Applied Research

Research focuses on primarily two situations: the farmer, who is an owner/operator (and sometimes tenant) and farms operated by multinationals, or government institutions. Research thus involves long and short-term concerns for the owner/operator, and multinational or government institution farms are best considered elsewhere.

Given increasing input costs make it difficult to survive economically, research should be directed towards concern for the total system of the family farm as an economic unit, and as the system of the future for Nova Scotian and Canadian agriculture.

Concerns	Solutions
- Research should be more firmly focused on owner/operator farms.	- Encourage more farm visits by researchers, increase dialogue.
- Development of suitable farm machinery for Nova Scotia.	- Discoveries need to be checked locally, get research to the farms.
- Greater use of farmers as resource persons.	- Encourage recognition of farmers as useful contributions to research; seek greater involvement.

Concerns (Continued)	Solutions
- No provincial funding for farm innovative demonstration projects; including farmer initiated ones.	- Greater efforts in producing 'farm innovative demonstrations', including the provision for additional funds.
- Increasing numbers of large-scale operations using greater quantities of non-renewable resources; greater examination of intensive crop management long-term effects on soil.	- Encourage research on farm operations using fewer non-renewable resources; encourage/increase personnel involved in total systems, and sustainable yield research.
- Research aimed at using farm's 'good' acres to its most productive sustainable potential.	- Encourage research priorities be set by researchers, producers, marketers together.
- Greater research in the relationship between costs and food value.	- Encourage greater exchange of information on research topics currently being examined, including cost-food value relationships.
	- Examine possibility of developing a research/coordinator position at the provincial level; possible development of a central collecting, coordinating, and distributing agency.

Topic 17 - Energy

The sector is primarily concerned with the cost and security of supply of energy sources. Energy use on farm operations is both direct and indirect; where direct includes gasoline, diesel, stove and furnace oil, electricity, and liquified petroleum gases. Indirect includes fertilizers (particularly nitrogen), chemicals, pesticides, and the energy used in producing machinery, equipment, and buildings.

Increased oil prices will result in corresponding production cost increases, which the consumer must bear if farm bankruptcies are to be avoided. Increases in oil costs will have the greatest impact on greenhouse and broiler operations, where a large percentage of the total energy cost is attributable to direct usage. In 1982, expenditures on direct energy,

fertilizers and pesticides accounted for 1/4 of the Canadian farmer's total operating expenditures, up from 1/5 a decade earlier. In the Atlantic Provinces, building, heating, and lighting expenditures account for 22% of direct energy expenditures, a comparable statistic for the Prairies is 12% (Market Commentary: Proceedings of Canadian Agricultural Outlook Conference, Dec. 1980; p. 80).

Alternate energy sources will have to be developed to meet farm energy needs, given the federal government's aim to reduce the supply of heavy fuel oils. Increased usage of electricity appears to be the most likely result of this aim. If this is the only available alternative, it should be subsidized for farm use, given higher unit prices for electricity in some of the Atlantic Provinces. The possible application of biomass and methane for farm operations requires further study. If it proves suitable, financial assistance to convert should be offered.

Generally, the sector is of the opinion that oil is not yet expensive nor scarce enough to stimulate the major research and development effort required to provide true solutions (Energy Update 1995, 1983; p. 48). Given the quickness with which changes in oil production, availability, and prices can occur, anticipatory rather than reactive planning should be encouraged.

Concerns	Solutions
- Increase use of fertilizers.	- Encourage the development and use of energy efficient systems of production.

Concerns (Continued)	Solutions
- Availability of energy supplies at reasonable costs.	- Encourage government to increase support for alternative fuel research appropriate to the industry. - Support continued information exchanges among farmers currently using and developing more energy efficient systems. - Encourage elimination of 9% Federal Excise Tax. - In the event of higher prices, seek increased subsidies on traditional fuels.

Topic 18 - Transportation

Nova Scotian producers and manufacturers are faced with a total Atlantic market of a little over 2 million people, roughly equivalent to the size of Montreal. The population, however, is scattered over a distance in excess of 1,200 miles; thus producers must reach out to distant population centres elsewhere for an economic scale of production.

Within this context, transportation plays an important role. With regard to agriculture products, the decline in rail service, in certain regions of the Province, together with the improvement of highway/roadway systems and the special consideration in timing required to deliver the goods have contributed to the increased use of trucks. For the most part commercial carriers have been a satisfactory mode of transportation, however, timing of delivery and perishability of produce are important considerations which occasionally negate the effectiveness of common carriers.

It would appear the above considerations are further impacted by constraints present in the erosion of the Feed Freight Assistance Act (FFA), the Maritime Freight Rate

Assistance Act and its companion legislation the Altantic Region Freight Assistance Act (MFRA/ARFA) and the Canadian Agreement of Vehicle Registration Act (CAVR).

FFA: the Maritime Livestock and Poultry sectors developed primarily due to the assistance and stability provided by the **Livestock Feed Assistance Act of 1967** and the **Livestock Feed Board of Canada.** The act provided for an adequate supply and stable, equalized price for feed grains between producers in Eastern Canada (East of Thunder Bay).

These sectors account for over $400 million (farmgate value), or 75% of the farm cash receipts in the Maritimes; including processing, transportation, marketing, and retailing, the eventual economic impact is close to $2 billion. Crucial to this economic performance and the survival of these sectors, and their related linkages, are feed inputs. Currently, 66% of the needed feed materials are imported from outside the region, representing an estimated $80 million per year, paid by Maritime farmers, leaving the region. Transportation charges, $12.5 million of $80 million/year, have increased an average 22% per year from 1976 to 1980, while assistance on transportation costs have remained the same, and therefore have eroded.

From a Maritime point of view, the effect of the Act and the Board changed radically in the mid 70's. Ontario and a large portion of Quebec were elimited from the designated assistance area (east of Thunder Bay) but were given other concessions permitting producers to capitalize on their natural advantage for sufficiency in feed grain supplies. The area of equalization changed from "east of Thunder Bay" to a smaller area in Eastern Quebec and the Maritimes.

Conversely, the FFA assistance to the Atlantic Provinces and eastern Quebec have, in real terms, been substantially reduced. Furthermore, because of the sectors'

growth, they are now less self-sufficient than in 1976. Basically, Maritime livestock and poultry producers are in an eroding competitive position vis-a-vis their Ontario and Quebec counterparts. In 1970 Ontario producers paid 22% of sales for feed, Quebec 24%, and the Maritimes 28%. In 1980 Ontario producers paid 25% (+ 3%), Quebec paid 30% (+ 6%) and the Maritimes 40% (+ 12%).

This process of continuing erosion in transporation ost assistance, while Maritime livestock prices compete on par with Ontario's, places the livestock and poultry sectors in precarious economic situations.

Concerns	Solutions
- Increased costs of feed.	- Restore FFA funding levels.
- Higher input costs to those commodities-highly reliant on feed.	- Encourage support for producer growing own feed.
- Loss of competitive position relative to Ontario producers.	- Encourage the growing of feed grain as a cash crop; further assistance to research new strains of grain suitable to the region.
- Over-dependence on FFA having detrimental effect on homegrown feed industry.	- Encourage policies directed at greater self-sufficiency in feed supply, e.g., Maritime Farmers' Council Feed Cost Equalization proposal.

MFRA/ARFA: these acts were introduced to help Atlantic provinces' manufacturers and producers maintain a competitive edge with western made or grown products, but this edge has been allowed to erode. Since 1974 there has been no increase in the subsidies; yet transportation costs did not cease to rise. This places Atlantic producers and manufacturers increasingly at a disadvantage.

The bulk of the 'intra provincial' (Atlantic region) subsidy payments are accounted for by basic commodities and manufactured goods stemming from local primary goods producers. Nova Scotian producers shipping within the province account for 80% of the subsidies, the food sector being responsible for 21% of those.

The 'westbound' subsidy is comprised of a selective and regular component. Under the regular component there are more shipments to Ontario, whereas under the selective portion producers ship further. In combining the two sections food accounts for 9% of the subsidies.

The erosion and, or reduction, of these subsidies would most likely raise transportation costs, cut into producers' and manufacturers' profit margins and affect location and expansion decisions. Their deterioration can only impact Nova Scotia negatively.

Concerns	Solutions
- Erosion and/or possible removal of subsidies, leading to loss of competitive-	- Encourage maintenance of subsidies (where needed) to ensure competitive-ness
- Increased transportation costs reducing profit margins.	- Realign commodities to aid those most in need.
- Increased use of western feed grains.	- Encourage policies directed at stimulating own feed industry.
- Negative impact on producer/manufacturer decisions.	- Encourage greater dialogue/participation at grass root level by producer/manufacturers in policy decisions affecting MRFA and ARFA.

CAVR: as previously mentioned timing of delivery and perishability of goods are important considerations.

In some cases the only way to ensure the availability of refrigerated trucks, for the delivery of perishables, is for the producers to operate their own truck(s). For producers with markets wholly within the province this works well enough; however, producers who deliver outside the province are subject to the Canadian Agreement on Vehicle Registration (CAVR).

The purpose of the agreement is to provide a means whereby vehicles may travel in two or more member jurisdictions for a registration fee more or less equal to that of single registration. With respect to the Nova Scotia producer CAVR requires all trucks travelling through the Atlantic Provinces and Quebec enroute to markets in the U.S., within an aforementioned province, or Ontario, be governed by its regulations. Persons operating within an outside jurisdiction without a 'cab permit', will be required to purchase a 'trip permit' valid for five days, and may also be fined. Furthermore, CAVR requires trucks operating from Nova Scotia to maintain a trip log for 12 months of the year, regardles of whether it is used only seasonally.

While CAVR is a good reciprocal arrangement for registered carriers operating under the Public Utilities Board, its 'blanket coverage' is more of a constraint to the agricultural/horticultural producers using their own trucks.

Concerns	Solutions
- Each province has separate form requirements; administrative red tape.	- Support simplification of administrative forms.
- Total yearly mileage to certain provinces is so low in some cases that it does not cover administration fees; compliance to CAVR may decrease profit margins.	- Examine possibility of exemption for horticultural/agricultural producers transporting own goods.
- Inflexibility of CAVR's blanket coverage, some rules difficult to comprehend.	- Examine possible development of regional offices where CAVR inquiries may be addressed.

Concerns (Continued)	Solutions
- Few regular carriers scheduled to handle shipments within tolerable time limits.	- Assist development of better cold storage facilities to ease timing in transportation schedules.
- Increased transportation costs.	- Recover transportation cost from product price; levy a separate transportation charge on purchaser.
	- Examine possible deregulation of carriers as in the U.S.

V - ANALYSIS/RECOMMENDATIONS

5.0 Given the large number of solutions, their varied nature and scope, and the human and financial constraints, a need for priorization exists. To facilitate the task of priority setting, the solutions will be placed into four general headings/categories. The categories are: legislation/regulation, research, and business organizations, and education (including general awareness programs).

Legislation/regulation includes the various solutions requiring the introduction of new laws/regulations, or the amendment of existing ones. Specifically, these relate to the proposed tax concessions, land use regulations, and changes in financing - possible subsidies for example. **Research** incorporates primarily the solutions presented in Topic 6 (applied and basic research), but may include some solutions from education (particularly when dealing with the introduction of new technologies), and business organizations/management. **Business organizations** includes all those solutions dealing with the support of cooperatives, encouraging greater marketing efforts, and farm management and operations, inclusive of financing and taxation issues. Finally, **Education** includes all solutions that deal with either institutional educational programs, extension programs (through provincial Department of Agriculture), and general awareness programs or public relations directed towards the general public, present operators, and future operators.

5.1 Having categorized the solutions, they may now be priorized into an interim, short-term, and long-term time frame.

(a) The interim period includes those solution which may be examined and/or initiated either immediately or within a two-year period. These are solutions the Sector can initiate on their own or via other agricultural associations (with little or no public sector involvement), or involve minor modifications to existing services. Ideally, more than one 'concern' area could be addressed; for example, implementing general education/awareness programs would educate the public, alleviating agricultural/rural-urban friction, possibly recruit newcomers into the industry, and lay the foundation work for other, more involved solutions.

(b) The short-term period involves solutions requiring more detailed examinations of the concern and the method of solution; furthermore, it would likely require participation from one (or more) segments of the public sector. Typically, these would be solutions requiring new, or refinements of existing, legislation. The time frame for this section being two to four years.

(c) Long-term accounts for those alternatives needing either more time to be examined/developed and involve more than one sector of government (possibly at both levels). An example of this would be proposed changes in tariff structures. The time frame is five years or more.

Following is a suggested planning scheme.

2 Years **INTERIM**	2-4 Years **SHORT-TERM**	5 or more Years **LONG-TERM**
Education	Education	Education
- general awareness programs; public relations	- continue Public Relations	- continue Public Relations
- needs assessments of agricultural programs; extension sevices, Agriculture College, etc.	- increased promotion of conferences, information exchanges	- encourage evaluation of curriculums to ensure future industry needs will be met
- develop public awareness programs directed at the need and safety of pesticides/fungicides used	- changes/additions to education curriculum	

Continued . . .

2 Years **INTERIM**	2-4 Years **SHORT-TERM**	5 or more Years **LONG-TERM**
Regulations	Regulations	Regulations
- development/implementation of policies aimed at feed self-sufficiency	- examine possibility of capital gains tax changes	- develop possible land banking scheme
- refine/strengthen zoning and trespass laws to protect agricultural land	- refine grant programs	- continue possible development of tariff implementation
- encourage further support for land improvement/development policies and programs	- initiate examination of possible land banking systems	
- encourage removal of tax benefits from formerly productive lands lying idle for several years	- initiate research in developing tariff systems linked to local product availability	
Research	Research	Research
- examine and develop the necessary infrastructure for producing an Agriculture Strategy Paper	- greater efforts in sponsoring of farm innovative demonstrations	- possible development of central collecting, coordinating, distribution agency
- encourage farm visits by researchers; recognize farmer's ability to contribute	- encourage development of provincial researcher/coordinator position	- encourage greater exchange of information on research done nationally and abroad
- encourage research in efficiencies of 'small farms'	- encourage producer involvement in setting of research priorities	
- encourage research in link between food nutritional value and energy input costs	- encourage research to be Nova Scotia specific	

Continued . . .

2 Years INTERIM	2-4 Years SHORT-TERM	5 or more Years LONG-TERM
Business Organizations	Business Organizations	Business Organizations
- encourage continued support for co-ops	- examine possible development of preferred rates to farmers from private lending institutions	- examine development of policies directed at viable, productive farms experiencing extreme negative conditions beyond their control
- encourage greater farmer involvement in marketing and promotion	- examine redefining terms describing farm operators -- full and part-time hobby farmers	- examine possible tax incentives to ease costs involved in good management practices
- encourage greater investment opportunities in farmer controlled organizations	- expand market involvement, including export opportunities when feasible	- examine possible development of a comprehensive management system involving sector common points
- encourage greater producer interest in their produce beyond farmgate		- continued support for producer interest in their produce beyond farmgate
- encourage other provinces to press for inclusion of farm occupations or 'Occupations of National Importance List'		- examination of new constraints and possible solutions

This planning scheme is intended as input, via the agricultural associations and appropriate government departments' discussions, to the next logical step of producing an Agriculture Development Strategy Paper. It attempts to set in place a system whereby 'ad hoc', band-aid measures may be reduced, and the producer can begin to receive a greater share of the market dollar he/she deserves for being a highly efficient and productive business person.

In the interest of developing a long-term sustainable agriculture industry that would benefit everyone, the Agriculture Sector of Voluntary Planning RECOMMENDS:

(a) **The development of a long-term strategy paper to identify and facilitate opportunities for balanced economic growth leading to a sustainable agriculture industry;**

(b) **Agricultural associations develop a stronger, more coordinated effort, aimed at generating integrative long-term solutions to identified constraints rather than short-term, 'band-aid' remedies;**

(c) **Agricultural associations and pertinent government departments to work together on producing coordinated policies in an effort to develop, and avoid negative impacts on, agriculture;**

(d) **That resources for research and staff be made available to the Agricultural Sector for producing a more detailed Strategy Paper.**

CONCLUSIONS

6.0 This position paper has highlighted the importance of a strong local agricultural industry. The Province not only benefits from the production and availability of high quality foods, but enjoys economic benefits from its backward and forward linkages across various sectors. Given the agri-food systems' high degree of interdependence, vertical and horizontal integration are playing an ever-increasing role in controlling costs and prices. It is imperative today's and particularly tomorrow's farmer become more integrally involved in the agri-food business if the goal of a sustainable agriculture industry is to be achieved.

6.1 While the sector recognizes the industry benefits from a healthy 'mix' of interests, there is some concern fluctuating economic conditions, together with various artificial constraints, could cause a loss in family farms. The concerns and solutions presented within have centered on the concept of the family farm, with the intent of strengthening and revitalizing this base unit of the agri-food system.

6.2 The paper and proposed solutions are primarily intended to stimulate discussions towards the development of a Strategy Paper. To attain the goal of a sustainable agriculture industry, there is a need for concerted policies and actions directed at examining where and how opportunities may be developed. A sustainable industry and the numerous socio-economic benefits it creates simply cannot be maintained through band-aid solutions, and disjointed, piecemeal planning.

6.3 The Agriculture Sector members are ready, detrmined, and confident in their abilities to achieve a vital, sustainable industry by working with government and the public towards the mutual benefit of all.

NOVA SCOTIA FARMERS OWNED AND CONTROLLED ORGANIZATIONS

(Partial Listing)

APPENDIX A

Cooperatives (Marketing):

ACA Co-operative Ltd.
Farmers Co-operative Dairy Ltd.
Scotsburn Co-operative Services Ltd.
Scotian Gold Co-operative Ltd.
Western Valley Shipping Co-operative Ltd. (livestock shipping)
C.L.S. Co-operative Ltd. (livestock shipping)
Athol Cooperative Ltd. (forestry products)
Cross Roads Blueberry Co-operative Ltd. (blueberry)
North Nova Forest Owners Co-operative Ltd. (forestry products)
Clare Co-operative Shipping Ltd. (livestock shipping)
L & C Blueberry Co-operative Ltd. (blueberry)
New Harbour Coddles Harbour Blueberry Co-operative Ltd. (blueberry)
Dean Produce Co-operative Ltd. (blueberry)
Windsor Livestock Shipping Co-operative (livestock shipping)
Eastern Kings Shipping Co-operative (livestock shipping)
Minas Seed Co-operative Ltd. (seed)
West Kings Livestock Co-operative Ltd. (livestock shipping)
Northumberland Lamb Marketing Co-operative Ltd. (lamb)
Baddeck Valley Wood Producers Co-operative Ltd. (forestry products)
Western N.S. Blueberry Growers Co-operative Ltd. (blueberry)
Swine Sales Stock Society Ltd. (breeding stock)
Eastern Livestock Sales Society (beef)
Sheep Producers Association of Nova Scotia (sheep)
Cape Breton Sheep Producers Association (sheep)
Cape Breton Federation of Agriculture (beef)

Insurance:

Clare Mutual Insurance (fire insurance)
Antigonish Farmers Mutual Fire Insurance (fire insurance)

Kings Mutual Insurance Co. (fire insurance)
Pictou County Farmers Mutual Fire Insurance (fire insurance)
Co-operators Insurance Services (fire insurance)

Marketing Boards:

Chicken Marketing Board
Egg & Pullet Producers Marketing Board
Turkey Marketing Board
Pork Producers Marketing Board
Flue Cured Tobacco Growers Marketing Board
Wool Marketing Board
Winter Grain Marketing Board
Processed Pea Marketing Board
Potato Marketing Board
Dairy Commission
Pulpwood Marketing Board

Other Agricultural Organizations:

Nova Scotia Fruit Growers Association
Federation of Agriculture (16)
Exhibition Association (15)
Cornwallis Dairy Ltd.
Co-op Atlantic
Rural Beautification Association
Farm Fresh Marketing Association
Maritime Farmers Council
Woodlot Owners Association
Greenhouse Grower's Association of Nova Scotia

For a complete, up-to-date listing, see: Directory of Agriculture, available from Nova Scotia Department of Agriculture and Marketing.

CONVERSION TABLE

APPENDIX B

Hectares (ha)		Acres
0.404 685 6	1	2.471 054
0.809 371 2	2	4.942 108
1.214 057	3	7.413 162
1.618 742	4	9.884 216
2.023 428	5	12.355 27
2.428 114	6	14.826 32
2.832 799	7	17.297 38
3.237 485	8	19.768 43
3.642 170	9	22.239 49
4.046 856	10	24.710 54

Use centre column as the unit
you wish to convert from.

For example: 1 Acre converts to 0.404685 Hectares

or

1 Hectare converts to 2.471054 Acres.